

**Original**

**Sunrise**

**Community of**  
**Tennessee , INC**

**CN1511-055**



***Excellence in  
Serving Special Needs***

Sunrise Community of Tennessee, Inc.  
229A Dunbar Cave Road  
Clarksville, TN 37043  
**T** 931.648.3011  
**F** 931.647.9250  
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Health Services and Development Agency  
9<sup>th</sup> Floor  
Andrew Jackson Building  
502 Deaderick Street  
Nashville, TN 37243

Re: Application for a Certificate of Need

Gentlemen:

Attached, please find the original and two (2) copies of our Application for a Certificate of Need for the development of a 4-bed ICF/IID at 680 Quaker Knob Road, Chuckey, Greene County, Tennessee, together with the applicable attachments and the Affidavit for the application. This is the second such application Sunrise Community of Tennessee, Inc. has filed to provide beds for 8 residents of the Greene Valley Developmental Center which is scheduled to close by June 30, 2016 (the first being CN1510-043).

Sunrise Community of Tennessee, Inc. is a fully owned subsidiary of Sunrise Community, Inc., which has over 40 years of ICF/IID experience in Florida, where it is the largest provider of ICF/IID services in the state. We will bring this wealth of experience to bear in the development and operation of these new 4-bed homes.

Sincerely,

A handwritten signature in black ink that reads "Michelle Pitts". The signature is written in a cursive, flowing style.

Michelle Pitts  
Regional Administrator  
Sunrise Community of Tennessee, Inc.

1. **Name of Facility, Agency, or Institution**

Sunrise Community of Tennessee, Inc.		
Name		
680 Quaker Knob Road	Greene	
Street or Route		County
Chuckey	TN	37641
City	State	Zip Code

2. **Contact Person Available for Responses to Questions**

Ann Williams		Executive Director	
Name		Title	
Sunrise Community of Tennessee, Inc.		AWilliams@sunrisegroup.org	
Company Name		Email address	
1705 West Main Street	Greeneville	TN	37743
Street or Route	City	State	Zip Code
Executive Director	(423) 636-1333 ext 115	(423) 636-1466	
Association with Owner	Phone Number	Fax Number	

3. **Owner of the Facility, Agency or Institution**

Sunrise Community of Tennessee, Inc.		(423) 636-1333 ext 115	
Name		Phone Number	
1705 West Main Street		Greene	
Street or Route		County	
Greeneville	TN	37743	
City	State	Zip Code	

4. **Type of Ownership of Control (Check One)**

A. Sole Proprietorship	<input type="checkbox"/>	F. Government (State of TN or Political Subdivision)	<input type="checkbox"/>
B. Partnership	<input type="checkbox"/>	G. Joint Venture	<input type="checkbox"/>
C. Limited Partnership	<input type="checkbox"/>	H. Limited Liability Company	<input type="checkbox"/>
D. Corporation (For Profit)	<input type="checkbox"/>	I. Other (Specify) _____	<input type="checkbox"/>
E. Corporation (Not-for-Profit)	<input checked="" type="checkbox"/>		

**PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

5. **Name of Management/Operating Entity (If Applicable)**

N/A

Name

Street or Route

County

City

State

Zip Code

**PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND  
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

6. **Legal Interest in the Site of the Institution (Check One)**

- A. Ownership ☐ D. Option to Lease ☐  
 B. Option to Purchase ☐ E. Other (Specify)  ☐  
 C. Lease of  Years ☒

**PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND  
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7. **Type of Institution (Check as appropriate--more than one response may apply)**

- |   |                                     |  |                          |
|---|-------------------------------------|--|--------------------------|
| A. Hospital (Specify) <input type="text"/>                            | <input type="checkbox"/>            | I. Nursing Home  | <input type="checkbox"/> |
| B. Ambulatory Surgical Treatment<br>Center (ASTC), Multi-Specialty    | <input type="checkbox"/>            | J. Outpatient Diagnostic Center                                | <input type="checkbox"/> |
| C. ASTC, Single Specialty   | <input type="checkbox"/>            | K. Recuperation Center   | <input type="checkbox"/> |
| D. Home Health Agency   | <input type="checkbox"/>            | L. Rehabilitation Facility                                     | <input type="checkbox"/> |
| E. Hospice  | <input type="checkbox"/>            | M. Residential Hospice   | <input type="checkbox"/> |
| F. Mental Health Hospital   | <input type="checkbox"/>            | N. Non-Residential Methadone<br>Facility                       | <input type="checkbox"/> |
| G. Mental Health Residential<br>Treatment Facility                    | <input type="checkbox"/>            | O. Birthing Center   | <input type="checkbox"/> |
| H. Mental Retardation Institutional<br>Habilitation Facility (ICF/MR) | <input checked="" type="checkbox"/> | P. Other Outpatient Facility<br>(Specify) <input type="text"/> | <input type="checkbox"/> |
|   |                                     | Q. Other (Specify) <input type="text"/>                        | <input type="checkbox"/> |

8. **Purpose of Review (Check) as appropriate--more than one response may apply)**

- |  |                                     |  |                          |
|--|-------------------------------------|--|--------------------------|
| A. New Institution   | <input checked="" type="checkbox"/> | G. Change in Bed Complement<br>[Please note the type of change<br>by underlining the appropriate<br>response: Increase, Decrease,<br>Designation, Distribution,<br>Conversion, Relocation] | <input type="checkbox"/> |
| B. Replacement/Existing Facility   | <input type="checkbox"/>            | H. Change of Location  | <input type="checkbox"/> |
| C. Modification/Existing Facility  | <input type="checkbox"/>            | I. Other (Specify) <input type="text"/>  | <input type="checkbox"/> |
| D. Initiation of Health Care<br>Service as defined in TCA §<br>68-11-1607(4)<br>(Specify) <input type="text"/> | <input type="checkbox"/>            |  |                          |
| E. Discontinuance of OB Services   | <input type="checkbox"/>            |  |                          |
| F. Acquisition of Equipment  | <input type="checkbox"/>            |  |                          |

**9. Bed Complement Data**

*Please indicate current and proposed distribution and certification of facility beds.*

	<u>Current Beds</u>	<u>Staffed Beds</u>	<u>Staffed Beds</u>	<u>TOTAL</u>
	<u>Licensed</u>	<u>*CON</u>	<u>Beds Proposed</u>	<u>Beds at Completion</u>
A. Medical	_____	_____	_____	_____
B. Surgical	_____	_____	_____	_____
C. Long-Term Care Hospital	_____	_____	_____	_____
D. Obstetrical	_____	_____	_____	_____
E. ICU/CCU	_____	_____	_____	_____
F. Neonatal	_____	_____	_____	_____
G. Pediatric	_____	_____	_____	_____
H. Adult Psychiatric	_____	_____	_____	_____
I. Geriatric Psychiatric	_____	_____	_____	_____
J. Child/Adolescent Psychiatric	_____	_____	_____	_____
K. Rehabilitation	_____	_____	_____	_____
L. Nursing Facility (non-Medicaid Certified)	_____	_____	_____	_____
M. Nursing Facility Level 1 (Medicaid only)	_____	_____	_____	_____
N. Nursing Facility Level 2 (Medicare only)	_____	_____	_____	_____
O. Nursing Facility Level 2 (dually certified Medicaid/Medicare)	_____	_____	_____	_____
P. ICF/MR	_____	_____	<u>4</u>	<u>4</u>
Q. Adult Chemical Dependency	_____	_____	_____	_____
R. Child and Adolescent Chemical Dependency	_____	_____	_____	_____
S. Swing Beds	_____	_____	_____	_____
T. Mental Health Residential Treatment	_____	_____	_____	_____
U. Residential Hospice	_____	_____	_____	_____
<b>TOTAL</b>	_____	_____	<u>4</u>	<u>4</u>

\*CON-Beds approved but not yet in service

10. Medicare Provider Number N/A  
 Certification Type N/A

11. Medicaid Provider Number 2 numbers: 0430 for East TN & 0482 for Middle TN  
 Certification Type HCBS Waiver

12. If this is a new facility, will certification be sought for Medicare and/or Medicaid? ☒ Yes

13. Identify all TennCare Managed Care Organizations/Behavioral Health Organizations (MCOs/BHOs) operating in the proposed service area. Will this project involve the treatment of TennCare Participants? Yes If the response to this item is yes, please identify all MCOs/BHOs with which the applicant has contracted or plans to contract.

**NOTE: Section B** is intended to give the applicant an opportunity to describe the project and to discuss the need that the applicant sees for the project. **Section C** addresses how the project relates to the Certificate of Need criteria of Need, Economic Feasibility, and the Contribution to the Orderly Development of Health Care. Discussions on how the application relates to the criteria should not take place in this section unless otherwise specified.

## **SECTION B: PROJECT DESCRIPTION**

Please answer all questions on 8 1/2" x 11" white paper, clearly typed and spaced, identified correctly and in the correct sequence. In answering, please type the question and the response. All exhibits and tables must be attached to the end of the application in correct sequence identifying the questions(s) to which they refer. If a particular question does not apply to your project, indicate "Not Applicable (NA)" after that question.

- I. Provide a brief executive summary of the project not to exceed two pages. Topics to be included in the executive summary are a brief description of proposed services and equipment, ownership structure, service area, need, existing resources, project cost, funding, financial feasibility and staffing.

**RESPONSE:** This project involves the construction of a new 4-bed ICF/IID facility in Chuckey, Tennessee. The home will be a one story, fully accessible family home of approximated 2,800 square feet, with four bedrooms, living room, dining room, kitchen, laundry, and associated storage areas. The home will have two large, fully accessible bathrooms and one half bath. There will be a residential sprinkler system and backup generator to ensure that services essential to the health of residents are not interrupted.

The Greene Valley Developmental Center (GVDC) is scheduled to close on June 30, 2016, pursuant to an Exit Plan provided for in an order of the United States District Court for the Middle District of Tennessee for the settlement of current litigation pending in *People First of Tennessee, et al. v. Clover Bottom Developmental Center, et al.* Under the terms of this Exit Plan, the Tennessee Department of Intellectual and Developmental Disabilities (DIDD) was required to offer the remaining residents of GVDC a choice between ICF/IID services and Medicaid Waiver services. According to Terry Jordan-Henley of the DIDD (in his email of 9/8/15, see Attachment B.I), 75 of the 85 individuals remaining at GVDC chose ICF/IID services; and 36 of them have, via their legal representatives, expressed a desire to remain in the Greene County area. Also, of the 4 individuals who are expected to come to this new facility, 2 have family living in Greeneville, Tennessee, and one more has family living in nearby Elizabethton, Tennessee.

This new facility, located in Greene County, is being developed for the purpose of transitioning 4 of these 36 individuals from GVDC (a large congregate institutional facility) into a smaller group home located in the community. The DIDD strongly supports this application as more fully expressed in the letter of recommendation

from their Commissioner Debra K Payne, a copy of which is attached to this application (Attachment B.1).

Each person who resides in the home will be funded through the ICF/IDD program and each currently is residing in GVDC which is also an ICF/IDD facility. Thus each individual is currently receiving funding through the ICF/IDD program and will continue to receive this funding. The exact amount of the funding is dependent on cost as the ICF/IDD is a cost reimbursement program, assuring adequate funding for Sunrise Community of Tennessee, Inc.

The new facility will be constructed on the lot at 680 Quaker Knob Road, Chuckey, Tennessee, by Regional Properties, Inc., the owner of the lot. Regional Properties, Inc. is a wholly owned subsidiary of The Phineas Corporation, which also is the sole owner of Applicant's parent corporation Sunrise 2000, Inc. (see Organizational Chart included in Attachment A.4.). All of the entities under the Phineas Corporation are 501(c)(3) corporations.

The estimated construction cost of the new facility is \$490,000 and the total project cost is estimated at \$949,840. These funds will be expended by Regional Properties, Inc., which has leased the property (and the facility to be constructed) back to Applicant at renewable, 5-year terms. Applicant will continually renew the five year lease with Regional Properties, Inc., upon the expiration of each term. A copy of this lease is included in Attachment A.6.

Regional Properties, Inc., is in the process of obtaining a Farmer's Home Administration Rural Development loan to build the home. If unanticipated problems arise with the loan, there is sufficient money available in the Sunrise Community Foundation to build the home. The ICF/IDD rate is sufficient to operate the home since it is a cost reimbursement program.

Currently, Applicant is licensed by DIDD to provide Medical Residential and Supported Living, Nursing, Supported Employment, Community Based Day, In Home Day, Respite, and Transportation services to individuals with intellectual and developmental disabilities in Greene, Washington, Carter, Hamblen, and Jefferson counties in upper east Tennessee.

Applicant does not currently operate ICF/IDD homes in Tennessee, but has extensive experience in operating homes that serve 1-4 persons through the Medicaid Waiver program in Tennessee. In addition, it has access to a wealth of operational expertise via its relationship with Sunrise Community, Inc. Like Applicant's parent company, Sunrise Community, Inc. is a wholly owned subsidiary of the Phineas Corporation. Sunrise Community, Inc. owns and operates eighteen ICF/IDDs: fourteen 6-person, two 12-person, one 24-person and one 120 person. Sunrise Community, Inc., also manages and operates six 24-person ICF/IDDs that are owned by the State of Florida. This is a total of 396 people served in ICF/IDDs. Sunrise Community, Inc. opened the first private ICF facility in Florida in 1978 and has been operating ICF facilities in Florida continuously since that time. Sunrise Community, Inc. is the largest ICF provider in the State of Florida.

Applicant also employs 160-170 staff in the Greeneville area for its current programs. From this group of qualified individuals and from DIDD job fairs for GVDC staff, Applicant will be able to fill out its 15.2 FTE staffing complement (as more fully detailed, below, in section C, Contribution to the Orderly Development of Health Care-3).

Because of Applicant's extensive experience serving individuals with intellectual and developmental disabilities and its solid working relationship with the DIDD, Applicant believes that this project has all the ingredients necessary for success.

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

- A. Describe the construction, modification and/or renovation of the facility (exclusive of major medical equipment covered by T.C.A. § 68-11-1601 et seq.) including square footage, major operational areas, room configuration, etc. Applicants with hospital projects (construction cost in excess of \$5 million) and other facility projects (construction cost in excess of \$2 million) should complete the Square Footage and Cost per Square Footage Chart [chart is not included since project cost may not exceed \$2 million, in which case it is not needed]. Utilizing the attached Chart, applicants with hospital projects should complete Parts A.-E. by identifying as applicable nursing units, ancillary areas, and support areas affected by this project. Provide the location of the unit/service within the existing facility along with current square footage, where, if any, the unit/service will relocate temporarily during construction and renovation, and then the location of the unit/service with proposed square footage. The total cost per square foot should provide a breakout between new construction and renovation cost per square foot. Other facility projects need only complete Parts B.-E. Please also discuss and justify the cost per square foot for this project.

If the project involves none of the above, describe the development of the proposal.

**RESPONSE:** The home located at 680 Quaker Knob Road, Chuckey, TN, will be a one story, fully accessible family home with four bedrooms, living room, dining room, kitchen, laundry, and associated storage areas. The home will have two large, fully accessible bathrooms and one half bath. It will be constructed of brick and cement fiber siding, with either a standing seam metal roof or dimensional asphalt shingles. There will be a residential sprinkler system. The home will be 2800 square feet, and its estimated construction cost is \$175 per square foot, for a total approximated cost of \$490,000, which Applicant believes is a reasonable cost for new construction of an ICF/IID facility in this area.

The architectural firm of Clark/Dixon was selected based on their experience in designing and managing the construction of thirty-nine (39) ICF facilities for the state of Tennessee. The architects and Applicant's staff worked closely

with a local realtor to review approximately one dozen sites for suitability to construct the home and to evaluate utility and availability. This was the selected site. Invitations to bid on the construction of the home will be made with a minimum of three bids to be reviewed.

- B. Identify the number and type of beds increased, decreased, converted, relocated, designated, and/or redistributed by this application. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the existing services.

**RESPONSE:** The four beds involved in this project are ICF/MR (also styled as ICF/IID) beds. They are beds at a new facility being constructed to serve the individuals transitioning out of the GVDC pursuant to a court-ordered Exit Plan. These 4 ICF/IID beds will replace 4 of the ICF/IID beds being closed at GVDC.

- C. As the applicant, describe your need to provide the following health care services (if applicable to this application):

1. Adult Psychiatric Services
2. Alcohol and Drug Treatment for Adolescents (exceeding 28 days)
3. Birthing Center
4. Burn Units
5. Cardiac Catheterization Services
6. Child and Adolescent Psychiatric Services
7. Extracorporeal Lithotripsy
8. Home Health Services
9. Hospice Services
10. Residential Hospice
11. ICF/MR Services
12. Long-term Care Services
13. Magnetic Resonance Imaging (MRI)
14. Mental Health Residential Treatment
15. Neonatal Intensive Care Unit
16. Non-Residential Methadone Treatment Centers
17. Open Heart Surgery
18. Positron Emission Tomography
19. Radiation Therapy/Linear Accelerator
20. Rehabilitation Services
21. Swing Beds

**RESPONSE:** This project involves the establishment of a small ICF/IID group home to house beds for four (4) individuals transitioning from GVDC. The need for these beds is established by the court-ordered Exit Plan, above, in which 85 ICF/IID beds at a large, congregate institution will be replaced by beds in small community group homes selected, by the residents, through a freedom of choice process.

- D. Describe the need to change location or replace an existing facility.

**RESPONSE:** Not applicable. This project involves the establishment of a new, small ICF/IID facility. The only facility being replaced is GVDC, pursuant to the above Court Order.

- E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of \$1.5 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

1. For fixed-site major medical equipment (not replacing existing equipment):

- a. Describe the new equipment, including:

1. Total cost ;(As defined by Agency Rule).
2. Expected useful life;
3. List of clinical applications to be provided; and
4. Documentation of FDA approval.

**RESPONSE:** Not applicable.

- b. Provide current and proposed schedules of operations.

**RESPONSE:** Not applicable.

2. For mobile major medical equipment:

- a. List all sites that will be served;
- b. Provide current and/or proposed schedule of operations;
- c. Provide the lease or contract cost.
- d. Provide the fair market value of the equipment; and
- e. List the owner for the equipment.

**RESPONSE:** Not applicable.

3. Indicate applicant's legal interest in equipment (i.e., purchase, lease, etc.) In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

**RESPONSE:** Not applicable.

**III. (A)** Attach a copy of the plot plan of the site on an 8 1/2" x 11" sheet of white paper which **must** include:

1. Size of site (*in acres*);
2. Location of structure on the site; and
3. Location of the proposed construction.
4. Names of streets, roads or highway that cross or border the site.

***Please note that the drawings do not need to be drawn to scale.  
Plot plans are required for all projects.***

**RESPONSE:** The requested plot plan is attached as Attachment B, Project Description-III.(A). The size of the site is approximately 2.0 acres. It is located at 680 Quaker Knob Road, Chuckey, Greene County, Tennessee. The area surrounding the property at 680 Quaker Knob Road is predominantly agriculture in character. Lots in the area range from lots similar in size to 680 Quaker Knob Road to lots of considerably larger size. There are only a handful of residences within 1,000 feet of this lot.

The following is a table of driving distances and driving time for basic services from the proposed ICF/DD location:

Service	Closest Location	Driving Distance	Driving Time
Nearest Incorporated City	Tusculum, TN	7.4 miles	10 minutes
Hospital	Laughlin Memorial Hospital, 1410 Tusculum Blvd. Suite 2600 Greeneville, TN 37745	9.5 miles	14 minutes

Service	Closest Location	Driving Distance	Driving Time
Physician Offices	Laughlin Healthcare Center, 801 East McKee Street, Greeneville, TN 37743	12.3 miles	21 minutes
EMS/Fire Station	Greeneville Fire Station #3, 1325 East Andrew Johnson Highway	9.7 miles	13 minutes
	Tusculum Volunteer Fire Department, 145 Alexander St, Tusculum Station, TN 37745	7.4 miles	10 minutes
Day Treatment (if applicable)	Amedysis (PT, OT, SLP), 1350 Serral Drive, Suite 1 Greeneville, TN 37745	7.9 miles	11 minutes
Green Valley Development Center		6.2 miles	8 minutes

- (B) Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

**RESPONSE:** The project will house individuals transitioning from GVDC and will not be generally open to the public. Transportation to community activities, medical appointments, and other events will be provided by Sunrise staff. Individuals living in the home will not be using public transportation. Families of these individuals will have access to the facility (starting from Greeneville, Tennessee) traveling east on Andrew Johnson Highway (US Highway 11E), then turning left onto Rheatown Road (Tennessee Highway 351), and then turning left onto Quaker Knob Road.

- IV. Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. on an 8 1/2" x 11" sheet of white paper.

NOTE: **DO NOT SUBMIT BLUEPRINTS.** Simple line drawings should be submitted and need not be drawn to scale.

**RESPONSE:** The requested floor plan is attached as Attachment B, Project Description-IV. An emergency generator is shown in the floor plan and it is included in the Project Costs Chart below, within line item B.1. This is what CMS Appendix I says regarding surveying processes and generators:

Does the facility have an emergency generator or admit patients/residents that may require life support equipment? Request documentation of any existing fire safety evacuation plan; fire drills; disaster plan; smoking policy; fire alarm testing; sprinkler maintenance records if applicable; kitchen range hood maintenance; fire extinguisher maintenance and testing reports; generator testing logs; flame spread ratings of interior finishes; or attestations to elect CMS categorical waivers. The type of materials used for any smoke stopping or fireproofing should be obtained.

While this does not explicitly say an emergency generator is required for licensure, this new facility will have life support equipment in the form of oxygen and feeding pumps, and the anticipated residents have significant medical needs for power for heat and air conditioning. It therefore is prudent to have this kind of emergency equipment available.

V. For a Home Health Agency or Hospice, identify:

- A. Existing service area by County;
- B. Proposed service area by County;
- C. A parent or primary service provider;
- D. Existing branches; and
- E. Proposed branches.

**RESPONSE:** Not applicable.

### **SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED**

In accordance with Tennessee Code Annotated § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, and will contribute to the orderly development of health care." The three (3) criteria are further defined in Agency Rule 0720-4-.01. Further standards for guidance are provided in the state health plan (Guidelines for Growth), developed pursuant to Tennessee Code Annotated §68-11-1625.

The following questions are listed according to the three (3) criteria: (I) Need, (II) Economic Feasibility, and (III) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and

methodologies when appropriate. *Please type each question and its response on an 8 1/2" x 11" white paper.* All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer. If a question does not apply to your project, indicate "Not Applicable (NA)."

## **QUESTIONS**

### **NEED**

1. Describe the relationship of this proposal toward the implementation of the State Health Plan and Tennessee's Health: Guidelines for Growth.

**RESPONSE:** See Attachment C, Need-1, for a review of how this proposed project relates to the 5 Principles for Achieving Better Health from the Tennessee State Health Plan. This attachment also contains a list and full description of the services Applicant has provided to individuals with intellectual or developmental disabilities through contracts with the state of Tennessee, and a compilation of the number of years each service has been provided.

- a. Please provide a response to each criterion and standard in Certificate of Need Categories that are applicable to the proposed project. Do not provide responses to General Criteria and Standards (pages 6-9) here.

## **ICF/MR FACILITIES**

### **A. Need**

1. The population-based estimate of the total need for ICF/MR facilities is .032 percent of the general population. This estimate is based on the estimate for all mental retardation of 1 percent. Of the 1 percent estimate, 3.2 percent of those are estimated to meet level 1 criteria and be appropriate for ICF-MR services.

**RESPONSE:** The Greene Valley Developmental Center (GVDC) is scheduled to close on June 30, 2016, pursuant to an Exit Plan provided for in an order of the United States District Court for the Middle District of Tennessee for the settlement of current litigation pending in *People First of Tennessee, et al. v. Clover Bottom Developmental Center, et al.* Under the terms of this Exit Plan, the DIDD was required to offer the remaining residents of GVDC a choice between ICF/IID services and Medicaid Waiver services. This new facility, located in Greene County, is being developed to serve 4 of these individuals.

<i>Variable</i>	<i>Greene County</i>	<i>Tennessee</i>
<i>CY (2015), Total Population</i>	70,520	6,649,438
<i>PY (2019), Total Population</i>	71,989	6,894,997
<i>Total Pop. % Change</i>	2.1%	3.7%
<i>TennCare Enrollees (Sept. 2015)</i>	15,417	1,461,025
<i>TennCare Enrollees as a % of Total Population</i>	21.9%	22.0%
<i>Median Age</i>	44.2	38.6
<i>Median Household Income</i>	35,545	44,298
<i>Population % Below Poverty Level</i>	22.0%	17.6

The above state computations indicate that, based on the population of Greene County, there only is a total need for 23 total beds ( $0.032\% \times 71,989$ ) in this county, this formula was developed prior to the plan for closure of the institution as described above and does not reflect the actual needs for ICF/IID beds in this county due to this court-ordered closure. Due to this planned closure, these additional beds are needed in this area.

2. The estimate for total need should be adjusted by the existent ICF-MR beds operating in the area as counted by the Department of Health, the Department of Mental Health and Developmental Disabilities, and the Division of Mental Retardation Services in the Joint Annual Reports.

**RESPONSE:** As was the case with the criterion above, this criterion is not applicable. The other existing beds in this area predate the order of the court closing the GVDC and therefore should not be considered in calculating the need for additional beds to meet the requirements of the order of the court to close the GVDC.

Also, even if the 84 other ICF/IID beds in Greene County, listed below in section D, are counted, and even if the 16 other Comcare, Inc. beds in nearby Washington and Unicom counties are considered (and these are the only other ICF/IID facilities in the eleven eastern-most counties of Tennessee), these additional beds can play no part in addressing the need for new ICF/IID beds brought about by the closure of GVDC, since these beds have operated at 99% occupancy for the past 3 years (see section C, Need-5, below).

B. Service Area

1. The geographic service area should be reasonable and based on an optimal balance between population density and service proximity.

**RESPONSE:** Applicant has attended provider fairs hosted by the DIDD and met with individual residents, their families and conservators. From these meetings and events, Applicant has found that the families and conservators of 36 of the individuals remaining at GVDC desire that their loved ones remain in the Greene County area, since they have lived in this community, in some cases, for 30 to 40 years. Also, of the 4 individuals who are expected to come to this new facility, 2 have family living in Greeneville, Tennessee, and one more has family living in nearby Elizabethton, Tennessee. The facility being created by this application is being located in Greene County to serve their needs.

2. The relationship of the socio-demographics of the service area and the project population to receive services should be considered. The proposal's sensitivity and responsiveness to the special needs of the service area should be considered including accessibility to consumers, particularly women, racial and ethnic minorities, low income groups, and those needing services involuntarily.

**RESPONSE:** The group of individuals to be served (that is, the service area) is the remaining residents of GVDC. Applicant has met with many of them directly, and is well aware of their special needs, including their age distribution, nutritional needs, mobility and visual statuses, and their Psychiatric/behavioral statuses (see Need, 4.A, below). This facility is designed and located with their needs in mind and is dedicated to serving them. Applicant serves all individuals regardless of racial or ethnic status or other demographic issues.

C. Relationship to Existing Applicable Plans

1. The proposal's relationship to policy as formulated in state, city, county, and/or regional plans and other documents should be a significant consideration.

**RESPONSE:** This facility is being created to serve the needs of the individuals affected by the court-ordered closure of GVDC and will assist the State with fulfilling its responsibility under the

court's Exit Plan, to offer freedom of choice to these individuals to transition to either an ICF/IID or to enroll with a provider in the CAC Waiver.

2. The proposal's relationship to underserved geographic areas and underserved populations groups as identified in state, city, county, and/or regional plans and other documents should be a significant consideration.

**RESPONSE:** This criterion is satisfied by the fact 75 individuals currently residing at GVDC and who wish to go to ICF/IID facilities will need to find other homes by June 30, 2016. This facility will ensure that this group will find the services they need.

3. The impact of the proposal on similar services supported by state and federal appropriations should be assessed and considered.

**RESPONSE:** Existing ICF/IID beds from a current large institutional setting will be closed requiring the addition of new ICF/IID capacity. This proposal addresses the addition of an individualized four-bed group home to address a portion of the need. Federal and state appropriations currently used to fund the institutional costs will be available for the new ICF/IID homes.

4. The degree of projected financial participation in the Medicare and TennCare programs should be considered.

**RESPONSE:** In Applicant's Projected Data Chart, the breakdown of the Inpatient Service Revenue funding is 96% TennCare and 4% Client Responsibility.

D. Relationship to Existing Similar Services in the Area

1. The area's trends in occupancy and utilization of similar services should be considered.

**RESPONSE:** The following ICF/IID beds currently operate in Greene County:

- Comcare, Inc. (20 beds):
  - One (1) eight-bed home, and
  - Three (3) four-bed homes.

- East Tennessee Homes (64 beds):
  - Sixteen (16) 4-bed homes.

According to the above email from Terry Jordan-Henley, of the DIDD, these beds are at full occupancy. Also according to that email, only 32 beds (including the 4 that are the subject of this application) are currently being planned to meet a need for 36 beds. This indicates that these beds, like the others in Greene County, will operate at full capacity, too.

2. Accessibility to specific special need groups should be an important factor.

**RESPONSE:** As an ICF/IID group home, this facility will be accessible to individuals living with intellectual or developmental disabilities. Its bathroom and bedroom facilities and nursing station are specifically designed to assist medically fragile residents with severe intellectual or developmental disabilities.

Sunrise Community Inc. will ensure that the individuals that reside in our group home will maintain optimal health and quality of life by utilizing the following methodology and delivery of services.

- Each individual will have a medical nursing care plan designed specifically to meet their physiological and cognitive challenges that will be based on historical as well as current information and physician orders. The nursing care plans will address each individual's problems, strategies that will be utilized on a daily basis, actions that may have been taken as well as results when strategies have been implemented.
- Nursing will track and monitor skin integrity for all individuals by implementing a regimented positioning program.
- Nursing will utilize accepted standards for nutritional/physical management and will monitor daily.
- Nursing will ensure that fluid intake and output is monitored as well as any changes in bowel patterns.
- Staff will be trained in monitoring oxygen saturation levels for the individual's that have respiratory challenges
- Nursing services will oversee the delivery of services by direct support staff to ensure that assistive equipment such as hoist lifts, shower trolleys, wheel chair scales and specialized positioning equipment is used correctly.
- Nursing will ensure that all physician appointments are kept and will review all orders.
- Medications will be administered as ordered and individuals will be closely monitored for any signs or symptoms of side effects.

- Nursing will amend all nursing care plans as changes occur with the individuals.
- Nursing will ensure that all laboratory work/ x-rays are done as ordered.
- Nursing will maintain close communication with all physicians to ensure that the individual's needs are being met.
- Nursing will work closely with direct support staff to ensure that assistance with ADL's is provided in a manner that meets that individual's specific needs.
- All staff involved in the day to day care will work closely together to help understand how the individual communicates in an effort to overcome any communication challenges that the individual may have.
- The Sunrise team will utilize, on a daily basis, accepted standards of care and best practices in providing services to the individuals we serve and thereby reduce critical incidences and hospitalizations and optimize to the fullest the highest quality of life for our individuals.

- b. Applications that include a Change of Site for a health care institution, provide a response to General Criterion and Standards (4)(a-c).

**RESPONSE:** As an application for a new facility, this criterion is not applicable.

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any.

**RESPONSE:** Applicant is a Tennessee corporation currently licensed by DIDD to provide Medical Residential and Supported Living, Nursing, Supported Employment, Community Based Day, In Home Day, Respite, and Transportation services to individuals with intellectual and developmental disabilities in Greene, Washington, Carter, Hamblen, and Jefferson counties in upper east Tennessee. Applicant is owned by Sunrise Community, Inc. which, for over 50 years, has dedicated its efforts to provide people with disabilities the assistance and support necessary to enable them to live valued lives in the community. Sunrise Community, Inc. has over 35 years of ICF/IID experience in Florida and is the largest provider of ICF/IID services in the state. This facility is the first of two ICF/IID 4-bed group homes that Applicant plans to develop in Tennessee.

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map including the State of Tennessee clearly marked to reflect the service area. **Please submit the map on 8 1/2" x 11" sheet of white paper marked only with ink detectable by a standard photocopier (i.e., no highlighters, pencils, etc.).**

**RESPONSE:** Because this facility is located in Greene County, the applicant has attached a proposed service area map of Greene County as Attachment C, Need-3.

4. A. Describe the demographics of the population to be served by this proposal.

**RESPONSE:** The demographics of the population to be served by this proposal are the individuals among the 85 remaining residents of GVDC, the great majority of whom chose to transition to ICF/IID facilities through the freedom of choice process under the court-ordered GVDC Exit Plan. Applicant is very well acquainted with the individuals to be served by this facility, as evidenced by the fact that the DIDD identified (by their initials) the eight (8) individuals to whom the Applicant has committed to provide residency both in this facility and a second, previously filed, 4-bed ICF/IID application for a Certificate of Need (CN1510-043).

- B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

**RESPONSE:** The recipients of this project are all special needs consumers, individuals with severe intellectual or developmental disabilities requiring institutional care. According to email from Terry Jordan-Henley of the DIDD, dated 9/18/2015 (copy attached):

- 54 of these 85 persons are aged 23-60 years, while the remaining 31 are aged over 60 years.
- 37 require enteral feedings, and another 17 have structured dining plans.
- 65 have mobility impairments, and 42 of them are non-ambulatory.
- 56 use a customized seating system, and 51 use other alternative positioning equipment.
- 28 are blind.
- 28 are on prescribed psychotropic medications, and have a behavioral support plan or guidelines.

Under Applicant's business plans for this group home, its facilities will be specially designed to meet these physical needs, and include modifications to insure accessible entry doors, hallways, bathrooms, transportation, etc. Other services that will be provided include meeting hygiene requirements, specialized dietary services, physical therapy, and activities of daily living, including physical, occupational, and behavioral therapies. The overall goal is to provide these individuals with an environment and services that will let them live valued lives in a community setting.

5. Describe the existing or certified services, including approved but unimplemented CONs, of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

**RESPONSE:** As stated above in section C, Need-1.a.D, there are 84 other ICF/IID beds in Greene County. There also are another 16 Comcare Inc. ICF/IID beds in nearby Washington and Unicom counties. According to the following occupancy figures received from DIDD (please see email-chain in Attachment C, Need-1.a.A.2), these 100 beds, taken together, have experienced 99% occupancy over the 3 latest reporting years (as stated in the email, the actual addresses have been redacted, but can be provided to the HSDA upon request).

	2012	2012	2012	2013	2013	2013	2014	2014	2014
Facility/Address	Lic. Beds	ADC	% Occup.	Lic. Beds	ADC	% Occup.	Lic. Beds	ADC	% Occup.
COMCARE A	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE B	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE C	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE D	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE E	4	4	100.0%	4	3.9	97.8%	4	3.8	97.1%
COMCARE F	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE G	4	4	100.0%	4	3.8	96.2%	4	3.6	91.3%
COMCARE H	4	4	100.0%	4	4	100.0%	4	3.9	98.4%
COMCARE I	4	3.9	98.4%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES A	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES B	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES C	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES D	4	3.8	94.0%	4	4	100.0%	4	3.7	91.8%
EAST TENNESSEE HOMES E	4	3.8	96.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES F	4	3.4	84.4%	4	4	100.0%	4	3.7	93.8%
EAST TENNESSEE HOMES G	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES H	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES I	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES J	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES K	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES L	4	4	100.0%	4	3.8	95.8%	4	4	100.0%
EAST TENNESSEE HOMES M	4	4	100.0%	4	3.9	97.9%	4	4	100.0%
EAST TENNESSEE HOMES N	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES O	4	3.9	98.7%	4	3.8	96.0%	4	4	100.0%
EAST TENNESSEE HOMES P	4	4	99.6%	4	4	100.0%	4	4	100.0%

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology **must include** detailed calculations or documentation from referral sources, and identification of all assumptions.

**RESPONSE:** Applicant projects nearly 100% occupancy for the first two years of operation of this facility based upon the following methodology:

- DIDD has already informed Applicant of the names of the 4 residents who will be coming to live at the new facility (see section 4.A, above). 100% usage is assured, then, as of day one.
- Applicant already is well aware of the current state of health of its coming residents and has used this to project that, during the first 2 complete years of operations, no residency interruption due to death or major illness is anticipated.
- From the table in the preceding section, Applicant also notes that the majority of ICF/IIDs in its Proposed Service area (and in 2 nearby counties) operated at 100% occupancy across a full three year period, and that average 3-year occupancy among these 25 homes was 99%.
- Applicant therefore projects 365 annual bed resident days for each of its 4 residents in both its first and second year of operations of the new facility (less 90 person-days in 2017 for potential delays at startup time).

## **ECONOMIC FEASIBILITY**

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.
- All projects should have a project cost of at least \$3,000 on Line F. (Minimum CON Filing Fee). CON filing fee should be calculated from Line D. (See Application Instructions for Filing Fee)
  - The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.
  - The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.

- For projects that include new construction, modification, and/or renovation; **documentation must be** provided from a contractor and/or architect that support the estimated construction costs.

**RESPONSE:** The Project Costs Chart follows. Documentation supporting these estimated construction costs is attached as Attachment C, Economic Feasibility-1

## PROJECT COSTS CHART

A. Construction and equipment acquired by purchase:		
1.	Architectural and Engineering Fees	<u>62,020</u>
2.	Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	<u>15,020</u>
3.	Acquisition of Site	<u>0</u>
4.	Preparation of Site	<u>0</u>
5.	Construction Costs	<u>0</u>
6.	Contingency Fund	<u>0</u>
7.	Fixed Equipment (Not included in Construction Contract)	<u>22,000</u>
8.	Moveable Equipment (List all equipment over \$50,000)	<u>0</u>
9.	Other (Specify) <u>Furniture</u>	<u>18,000</u>
B. Acquisition by gift, donation, or lease:		
1.	Facility (inclusive of building and land)	<u>734,000</u>
2.	Building only	<u>0</u>
3.	Land only	<u>0</u>
4.	Equipment (Specify) _____	<u>0</u>
5.	Other (Specify) Vehicle	<u>48,000</u>
C. Financing Costs and Fees:		
1.	Interim Financing	<u>12,766</u>
2.	Underwriting Costs	<u>8,510</u>
3.	Reserve for One Year's Debt Service	<u>42,552</u>
4.	Other (Specify) _____	<u>          </u>
D.	Estimated Project Cost (A+B+C)	<u>\$962,868</u>
E.	CON Filing Fee	<u>3,000</u>
F.	Total Estimated Project Cost (D+E)	<b>TOTAL <u>\$965,868</u></b>

2. Identify the funding sources for this project.

A. Please check the applicable item(s) below and briefly summarize how the project will be financed. (**Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.**)

- ☐ A. Commercial loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;
- ☐ B. Tax-exempt bonds--Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
- ☐ C. General obligation bonds—Copy of resolution from issuing authority or minutes from the appropriate meeting.
- ☐ D. Grants--Notification of intent form for grant application or notice of grant award; or
- ☒ E. Cash Reserves--Appropriate documentation from Chief Financial Officer.
- ☒ F. Other—Identify and document funding from all other sources.

**RESPONSE:** Regional Properties, Inc., is seeking a loan through the USDA's Rural Development Community Facility guaranteed loan program with which it hopes to fund 100% of its costs for this project. Another affiliate of The Sunrise Group, Log Cabin Enterprises, Inc., recently secured such a loan (see Attachment C, Economic Feasibility-2) and Regional Properties, Inc. already has received an initial letter from Capital Resource indicating its loan application has a good chance of success (Attachment C, Economic Feasibility-2). Additionally, Regional Properties, Inc., and Sunrise Community of Tennessee, Inc., are both members of The Sunrise Group which includes the Sunrise Community Foundation, Inc., which has at least \$3,379,576 of available cash deposited in Iberiabank (see account statement in Attachment C, Economic Feasibility-2). Also included in this Attachment is a letter from the Sunrise Community Foundation, Inc., stating that its funding will be available should any problem or delay occur in securing the USDA loan.

3. Discuss and document the reasonableness of the proposed project costs. If applicable, compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.

**RESPONSE:** As the letter from Applicant's architect relates, their firm has ten years' experience designing and constructing over forty 4-bed ICF/IID homes in Tennessee. Eleven of these were built in the Greeneville, Tennessee, area over the past five years (all of which were based upon approved Certificates of Need). Applicant's architect prepared the cost estimate for this project, and states that the earliest constructed of the above 11 facilities had to expend \$173 per square foot in construction costs, and that these costs increased with each subsequent project. Applicant's \$175 per square foot estimated cost is very much in line with this rate. The costs of this project, then, are reasonable.

4. Complete Historical and Projected Data Charts on the following two pages--***Do not modify the Charts provided or submit Chart substitutions!*** Historical Data Chart represents revenue and expense information for the last *three (3)* years for which complete data is available for the institution. Projected Data Chart requests information for the two (2) years following the completion of this proposal. Projected Data Chart should reflect revenue and expense projections for the ***Proposal Only*** (*i.e.*, if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility).

**RESPONSE:** The requested Historical and Projected Data Charts are attached. There is no Historical Data on this facility since it is a new facility. Historical data, then, pertains only to the existing operations of Applicant in Tennessee.

While Applicant itself will manage the new facility, the Projected Data Charts will show management expenses. These are for services provided to Applicant under a contract with its parent company. A copy of this management contract is attached to document these costs (C, Economic Feasibility-4).

Concerning the Historical Data Chart, a few points should be noted:

- There was a decline in outpatient services revenue from 2012 to 2014 because Applicant stopped providing Personal Care Assistance Services as of August 2014.
- There was a decline in the provision for bad debt from \$70,167 in 2012 to \$22,061 in 2014 due to internal changes made to the A/R process collection of funds and recognition of revenue that reduced the need for bad debt provision.

Concerning the Projected Data Chart:

- SSI benefits are included in the Inpatient Revenue line. SSI benefits are used to cover client responsibility towards the cost of care. Client responsibility is all client benefits minus client persona needs adjustment. Food stamps are not included in the inpatient revenue.
- Resident's dietary meals are accounted for in the Dietary Expense line item.
- There is no Provision for Charity Care, Bad Debt, or Contractual Allowances in the Proposed Data Chart because no bad debt is expected.

5. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

**RESPONSE:** This project's Average Gross charge is \$791.00. This is Operating Revenue only (no grant revenues or bad debt) divided by the unit base. The Average Deduction from Operating Revenue (bad debt plus unreimbursed Advancement) divided by the unit base is \$0.00 for the first year of operations. The Average Net charges is \$791.00 (Average Gross charge minus the Average Deduction from Operating Revenue).

## HISTORICAL DATA CHART

Give information for the last *three* (3) years for which complete data are available for the facility or agency. The fiscal year begins in July (Month).

	Year <u>2012</u>	Year <u>2013</u>	Year <u>2014</u>
A. Utilization Data (Specify unit of measure: <u>Days</u> )	<u>49,045</u>	<u>51,219</u>	<u>52,103</u>
B. Revenue from Services to Patients			
1. Inpatient Services	<u>\$16,943,217</u>	<u>\$18,032,450</u>	<u>\$18,236,461</u>
2. Outpatient Services	<u>1,118,391</u>	<u>1,107,837</u>	<u>117,344</u>
3. Emergency Services			
4. Other Operating Revenue	<u>252,812</u>	<u>259,813</u>	<u>259,826</u>
(Specify) <u>Rent revenue</u>			
<b>Gross Operating Revenue</b>	<b><u>\$18,314,420</u></b>	<b><u>\$19,400,100</u></b>	<b><u>\$18,613,631</u></b>
C. Deductions from Gross Operating Revenue			
1. Contractual Adjustments	<u>\$</u>	<u>\$</u>	<u>\$</u>
2. Provision for Charity Care			
3. Provisions for Bad Debt	<u>70,167</u>	<u>40,895</u>	<u>22,061</u>
<b>Total Deductions</b>	<b><u>\$ 70,167</u></b>	<b><u>\$ 40,895</u></b>	<b><u>\$ 22,061</u></b>
<b>NET OPERATING REVENUE</b>	<b><u>\$18,244,253</u></b>	<b><u>\$19,359,205</u></b>	<b><u>\$18,591,570</u></b>
D. Operating Expenses			
1. Salaries and Wages	<u>\$11,014,586</u>	<u>\$11,468,510</u>	<u>\$10,872,419</u>
2. Physician's Salaries and Wages			
3. Supplies	<u>5,777</u>	<u>6,311</u>	<u>3,296</u>
4. Taxes	<u>917,422</u>	<u>891,368</u>	<u>856,749</u>
5. Depreciation	<u>256,561</u>	<u>309,036</u>	<u>327,975</u>
6. Rent	<u>160,137</u>	<u>203,126</u>	<u>225,035</u>
7. Interest, other than Capital	<u>41,676</u>	<u>52,856</u>	<u>42,548</u>
8. Management Fees:			
a. Fees to Affiliates	<u>1,113,276</u>	<u>1,053,288</u>	<u>1,131,545</u>
b. Fees to Non-Affiliates			
9. Other Expenses (Specify)	<u>3,991,711</u>	<u>4,103,526</u>	<u>4,124,036</u>
<b>Total Operating Expenses</b>	<b><u>\$17,501,146</u></b>	<b><u>\$18,088,021</u></b>	<b><u>\$17,583,603</u></b>
E. Other Revenue (Expenses) – Net (Specify)	<u>\$</u>	<u>\$</u>	<u>\$</u>
<b>NET OPERATING INCOME (LOSS)</b>	<b><u>\$ 743,107</u></b>	<b><u>\$ 1,271,184</u></b>	<b><u>\$ 1,007,967</u></b>
F. Capital Expenditures			
1. Retirement of Principal	<u>\$ 74,135</u>	<u>\$ 201,163</u>	<u>\$ 144,498</u>
2. Interest	<u>82,951</u>	<u>77,128</u>	<u>80,989</u>
<b>Total Capital Expenditures</b>	<b><u>\$ 157,086</u></b>	<b><u>\$ 278,291</u></b>	<b><u>\$ 225,487</u></b>
<b>NET OPERATING INCOME (LOSS)</b>			
<b>LESS CAPITAL EXPENDITURES</b>	<b><u>\$ 586,021</u></b>	<b><u>\$ 992,893</u></b>	<b><u>\$ 782,480</u></b>

## HISTORICAL DATA CHART

### Itemized Other Expenses (referencing line D.9, above)

Expenses	FY 2012	FY 2013	FY 2014
Administrative Expenses	1,677,572	1,654,206	1,639,197
Employee Benefits Expenses	578,323	586,963	512,520
Health Services Expenses	796,324	890,246	941,314
Housekeeping Expenses	1,673	1,679	1,695
Other Operating Expenses	455,748	486,315	558,788
Plan Operation Expenses	476,716	473,496	465,671
Programing Expenses	4,877	5,189	4,381
Dietary Expenses	478	1,344	470
Clinical Services	0	4,088	0

## PROJECTED DATA CHART

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in July (Month).

	Year <u>2017</u>	Year <u>2018</u>
A. Utilization Data (Specify unit of measure: <u>Days</u> )	<u>1,370</u>	<u>1,460</u>
B. Revenue from Services to Patients		
1. Inpatient Services	\$ <u>1,083,673</u>	\$ <u>1,114,425</u>
2. Outpatient Services	<u>                    </u>	<u>                    </u>
3. Emergency Services	<u>                    </u>	<u>                    </u>
4. Other Operating Revenue (Specify) <u>                                    </u>	<u>                    </u>	<u>                    </u>
<b>Gross Operating Revenue</b>	<b>\$ <u>1,083,673</u></b>	<b>\$ <u>1,114,425</u></b>
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	\$ <u>                    </u>	\$ <u>                    </u>
2. Provision for Charity Care	<u>                    </u>	<u>                    </u>
3. Provisions for Bad Debt	<u>                    </u>	<u>                    </u>
<b>Total Deductions</b>	<b>\$ <u>          0</u></b>	<b>\$ <u>          0</u></b>
<b>NET OPERATING REVENUE</b>	<b>\$ <u>1,083,673</u></b>	<b>\$ <u>1,114,425</u></b>
D. Operating Expenses		
1. Salaries and Wages	\$ <u>516,888</u>	\$ <u>537,563</u>
2. Physician's Salaries and Wages	<u>                    </u>	<u>                    </u>
3. Supplies	<u>9,250</u>	<u>9,435</u>
4. Taxes	<u>41,816</u>	<u>43,489</u>
5. Depreciation	<u>8,750</u>	<u>8,750</u>
6. Rent	<u>84,047</u>	<u>83,706</u>
7. Interest, other than Capital	<u>2,168</u>	<u>1,602</u>
8. Management Fees:		
a. Fees to Affiliates	<u>71,073</u>	<u>73,205</u>
b. Fees to Non-Affiliates	<u>                    </u>	<u>                    </u>
9. Other Expenses (Specify) <u>                                    </u>	<u>349,681</u>	<u>356,674</u>
<b>Total Operating Expenses</b>	<b>\$ <u>1,083,673</u></b>	<b>\$ <u>1,114,425</u></b>
E. Other Revenue (Expenses) – Net (Specify) <u>                                    </u>	\$ <u>                    </u>	\$ <u>                    </u>
<b>NET OPERATING INCOME (LOSS)</b>	<b>\$ <u>          0</u></b>	<b>\$ <u>          0</u></b>
F. Capital Expenditures		
1. Retirement of Principal	\$ <u>                    </u>	\$ <u>                    </u>
2. Interest	<u>                    </u>	<u>                    </u>
<b>Total Capital Expenditures</b>	<b>\$ <u>          0</u></b>	<b>\$ <u>          0</u></b>
<b>NET OPERATING INCOME (LOSS)</b>		
<b>LESS CAPITAL EXPENDITURES</b>	<b>\$ <u>          0</u></b>	<b>\$ <u>          0</u></b>

## PROJECTED DATA CHART

### Itemized Other Expenses (referencing line D.9, above)

Expenses	FY 2017	FY 2018
Administrative Expenses	115,138	117,441
Employee Benefits Expenses	23,932	24,411
Health Services Expenses	40,214	41,018
Housekeeping Expenses	4,700	4,794
Other Operating Expenses	40,726	41,541
Plan Operation Expenses	21,290	21,716
Programing Expenses	7,600	7,752
Dietary Expenses	13,520	13,790
Clinical Services	82,560	84,211

6. A. Please provide the current and proposed charge schedules for the proposal. Discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the proposed project and the impact on existing patient charges.

**RESPONSE:** This is an application for a new facility, so there is no current charge schedule. The proposed charge schedule is \$791.00 per day for the first year of operations. This rate will recover the entire cost of the project for its first year of operations, spreading the Fiscal Year 2017 costs of \$1,083,673 across 1,370 days of occupancy.

- B. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

**RESPONSE:** As previously mentioned, East Tennessee Homes operates 16 4-bed ICF/IID homes in Greene County. Here are their current daily rates, as provided by Clayton Wells of the DIDD (copy provided as Attachment C, Economic Feasibility-6.B), and sorted in ascending order by rate:

Buckingham #3	\$730.33
Susong #2	\$748.78
Amity	\$749.84
Redbud	\$749.90
Rambo	\$749.90
Asheville Highway #2	\$749.90
Stone Dam #2	\$759.10
Susong #1	\$760.76
Horse Creek	\$785.55
Meadowbrook	\$790.79
Stone Dam #3	\$794.53
Chuckey Pike	\$833.70
Buckingham #1	\$853.48
Dyer Street	\$887.38
Asheville Hwy. #1	\$935.84
Buckingham #2	\$978.83

Applicant's proposed rate of \$791.00 is lower than 6 of the 16 Greene County ICF/IID rates listed here, and substantially lower in several cases. Applicant's rate is even a bit lower than the \$803.66 average of the above rates. Applicant's proposed rate, then, compares favorably with the rates charged by similar facilities in this area.

7. Discuss how projected utilization rates will be sufficient to maintain cost-effectiveness.

**RESPONSE:** As the Projected Data Chart indicates, this project is intended to run on a break-even basis. Proposed project charges were developed with this goal in mind.

8. Discuss how financial viability will be ensured within two years; and demonstrate the availability of sufficient cash flow until financial viability is achieved.

**RESPONSE:** As the Projected Data Chart indicates, this project basically will be run on a break-even basis, and will achieve financial viability within its first year of operation.

9. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare, or other state and federal sources for the proposal's first year of operation.

**RESPONSE:** All the participants in the project will be Medicaid recipients. This project is intended to provide specialized services to Medicaid recipients in need of ICF level care. In Applicant's Projected Data Chart the break-down of the Inpatient Service Revenue funding is 96% (\$1,031,640.96) TennCare and 4% (\$42,985.04) Client Responsibility.

10. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For new projects, provide financial information for the corporation, partnership, or principal parties involved with the project. Copies must be inserted at the end of the application, in the correct alphanumeric order and labeled as Attachment C, Economic Feasibility-10.

**RESPONSE:** Applicant's balance sheet and income statement are attached (Attachment C, Economic Feasibility-10), as is Applicant's most recent audited financial statement. Since Sunrise Community Foundation, Inc. will provide funding for the project (if no USDA loan is forthcoming), the Foundation's Federal Tax Form 990, which contains the balance sheet and income statement is attached. The 990 is prepared by Sunrise's auditors, Moore, Stephens, Lovelace, P.A. The Foundation does not have an annual audit because of very limited activity.

Note that, Cash in the amount of (\$2,047.24) is listed as a part of Current Assets of Sunrise Community of Tennessee financial statements ending June 30, 2015. This

amount is the balance of the Sunrise Community of Tennessee, Inc. Petty Cash account as of June 30<sup>th</sup>, pursuant to the following cash policy:

### **Cash Management**

The Sunrise Group has established a cash management policy to facilitate optimum cash flow flexibility and control, and to establish central banking relationships utilizing a minimum number of accounts. All cash is managed through a general operating account and a general payroll account of Sunrise Community, Inc. All cash receipts of the related corporations of the Sunrise Group are transferred to the Sunrise Community, Inc. general operating account on a periodic basis. Each operating entity controls its own operating and payroll accounts, and receives necessary cash flow requirements through Sunrise Community, Inc. This is accomplished through a zero balance account system whereby operating cash balances are swept on a daily basis to Sunrise Community, Inc. and cash transfers are made to cover checks clearing daily.

11. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:
  - a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the applicant should justify why not; including reasons as to why they were rejected.

**RESPONSE:** Only two alternatives were provided in the court-ordered Exit Plan from which transitioning residents of GVDC could choose. ICF/IID beds were by far the most frequently selected alternative, and Applicant is providing these ICF/IID beds specifically to the individuals who made this choice. Since no other alternative will satisfy the order of the court with respect to these individuals, there is no other practicable alternative available.

- b. The applicant should document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements. It should be documented that superior alternatives have been implemented to the maximum extent practicable.

**RESPONSE:** There are no alternatives to this proposal that will satisfy the court-ordered Exit Plan. The planned group homes cannot exceed four beds per home, and it would be prohibitively expensive to provide these services on a scale involving fewer beds per home.

## CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (e.g., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, e.g., Transfer agreements, contractual agreements for health services.

**RESPONSE:** A list of all health care providers with which Applicant currently has or plans to have contractual and/or working relationships is attached as Attachment C, Contribution to the Orderly Development of Health Care-1.

2. Describe the positive and/or negative effects of the proposal on the health care system. Please be sure to discuss any instances of duplication or competition arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

**RESPONSE:** This project is essential to the success of the GVDC Exit Plan, since DIDD is counting on the ICF/IID beds provided in this proposal to fulfill its court-ordered duties. The Exit Plan calls for only the replacement of existing ICF/IID beds, so no duplication of services is contemplated. The GVDC facility, itself, is owned by the State of Tennessee and Sunrise has no control over decisions made regarding the future of the facility. There are no negative effects of this proposal.

3. Provide the current and/or anticipated staffing pattern for all employees providing patient care for the project. This can be reported using FTEs for these positions. Additionally, please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

**RESPONSE:** The following is the anticipated staffing information for the new facility:

	Proposed (FTE)	Total Salary Expenses
Resident Manager	1.0	\$35,360
Qualified MR Professional	0.5	\$23,920
RN	0.5	\$31,200
LPN	5.6	\$215,439
Direct Support Workers	6.6	\$153,484
Director of Operation	0.5	\$36,685
Maintenance Director	0.5	\$20,800
Total	15.2	

4. Discuss the availability of and accessibility to human resources required by the proposal, including adequate professional staff, as per the Department of Health, the Department of Mental Health and Developmental Disabilities, and/or the Division of Mental Retardation Services licensing requirements.

**RESPONSE:** Applicant currently has approximately 160-170 staff in the Greeneville area for current programs. Applicant has spoken with numerous staff at GVDC and plans to work with DIDD to hold job fairs for GVDC employees. This will satisfy this facilities need for 3 nursing FTE and 5 direct support staff FTE.

5. Verify that the applicant has reviewed and understands all licensing certification as required by the State of Tennessee for medical/clinical staff. These include, without limitation, regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review *policies and programs, record keeping, and staff education.*

**RESPONSE:** Applicant has had discussions with the DIDD about the licensure requirements for 4-bed ICF/IID facilities, and has reviewed and understands all required licensing certification for its medical and clinical staff. Moreover, through its parent company, Applicant has considerable experience with ICF/IID licensure in Florida (see, above), and will be able to bring this wealth of experience to bear in Tennessee.

6. Discuss your health care institution's participation in the training of students in the areas of medicine, nursing, social work, etc. (*e.g., internships, residencies, etc.*).

**RESPONSE:** Not applicable.

7. (a) Please verify, as applicable, that the applicant has reviewed and understands the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

**RESPONSE:** Currently, Applicant is licensed by DIDD to provide Medical Residential and Supported Living, Nursing, Supported Employment, Community Based Day, In Home Day, Respite, and Transportation services to individuals with intellectual and developmental disabilities in Greene, Washington, Carter, Hamblen, and Jefferson counties in upper east Tennessee and, through its parent company, is fully acquainted with the Medicare requirements concerning ICF/IIDs.

- (b) Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure: **RESPONSE:** Tennessee Department of Health and the Tennessee Department of Intellectual and Developmental Disabilities.

Accreditation: **RESPONSE:** Not applicable.

- (c) If an existing institution, please describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility.

**RESPONSE:** This is a new facility so this criterion is not applicable.

- (d) For existing licensed providers, document that all deficiencies (if any) cited in the last licensure certification and inspection have been addressed through an approved plan of correction. Please include a copy of the most recent licensure/certification inspection with an approved plan of correction.

**RESPONSE:** Not applicable. Applicant has, though, attached a copy of Sunrise Community Inc.'s most recent ICF/DD survey from the Florida Agency for Health Care Administration as Attachment C, Contribution to the Orderly Development of Health Care-7.(d).

8. Document and explain any final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the applicant or any entities or persons with more than a 5% ownership interest in the applicant. Such information is to be provided for licenses regardless of whether such license is currently held.

**RESPONSE:** None.

9. Identify and explain any final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project

**RESPONSE:** None.

10. If the proposal is approved, please discuss whether the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

**RESPONSE:** If approved, Applicant will provide this data to the Tennessee Health Services and Development Agency and the reviewing agency.

#### **PROOF OF PUBLICATION**

**Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper as proof of the publication of the letter of intent.**

**RESPONSE:** Publication affidavit follows Project Completion Forecast Chart, below.

## DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. Please complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
2. If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the “good cause” for such an extension.

Form HF0004  
Revised 02/01/06  
Previous Forms are obsolete

## PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision date, as published in Rule 68-11-1609(c): 1/27/2016

Assuming CON approval becomes the final agency action on that date; indicate the number of days **from the above agency decision date** to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS REQUIRED</u>	<u>Anticipated Date (MONTH/YEAR)</u>
1. Architectural and engineering contract signed	<u>_Completed_</u>	<u>Completed</u>
2. Construction documents approved by the Tennessee Department of Health	<u>_60 days_</u>	<u>3/27/2016</u>
3. Construction contract signed	<u>_120 days_</u>	<u>5/26/2016</u>
4. Building permit secured	<u>_150 days_</u>	<u>6/25/2016</u>
5. Site preparation completed	<u>_180 days_</u>	<u>7/25/2016</u>
6. Building construction commenced	<u>_210 days_</u>	<u>8/24/2016</u>
7. Construction 40% complete	<u>_300 days_</u>	<u>11/22/2016</u>
8. Construction 80% complete	<u>_360 days_</u>	<u>1/21/2017</u>
9. Construction 100% complete (approved for occupancy)	<u>_390 days_</u>	<u>2/20/2017</u>
10. *Issuance of license	<u>_NA_</u>	<u>2/28/2017</u>
11. *Initiation of service	<u>_NA_</u>	<u>3/14/2017</u>
12. Final Architectural Certification of Payment	<u>_420 days_</u>	<u>3/22/2017</u>
13. Final Project Report Form (HF0055)	<u>_450 days_</u>	<u>4/21/2017</u>

**\* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.**

**Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.**

# PROOF OF PUBLICATION

Acct. Name:

SUNRISE COMMUNITY OF

Acct. # 117471

STATE OF TENNESSEE

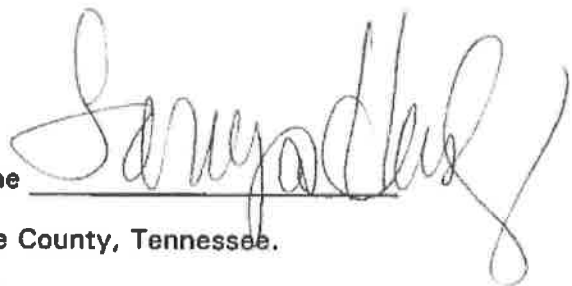
COST OF PUBLICATION

COUNTY OF GREENE

Total

\$495.45

PERSONALLY appeared before me



\_\_\_\_\_ of Greene County, Tennessee.

who being duly sworn, made oath that he/she is a  
representative of the Publisher of THE GREENEVILLE SUN,  
a newspaper of general circulation, published in the City of  
Greeneville, County of Greene and State of Tennessee and that the  
hereto attached publication appeared in the same on the  
following dates:

NOTIFICATION OF INTENT T

11/09/2015



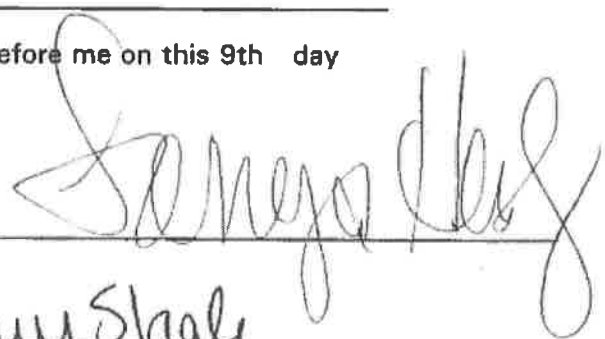
## The Greeneville Sun

P.O. BOX 1630, GREENEVILLE, TN 37744

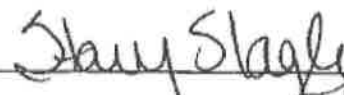
(423) 638-4181

Subscribed and sworn to before me on this 9th day  
of November, 2015

Newspaper Representative: \_\_\_\_\_



Notary Public: \_\_\_\_\_



My Commission Expires: \_\_\_\_\_

5/1/19

The referenced publication of notice has also been posted (1) On the newspaper's website, where it shall be published contemporaneously with the notice's first print publication and will remain on the website for at least as long as the notice appears in the newspaper; and (2) On a statewide web site established and maintained as an initiative and service of the Tennessee Press Association as a repository for such notices.

## The Greeneville Sun

## Classifieds

Place your ad by calling 423.638.4185 Fax to 423.638.7340 • Online at [GreenevilleSun.com](http://GreenevilleSun.com)

## Public Notices

## Public Notices

## Public Notices

## Public Notices

## General Help Wanted

## Medical / Dental

## NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1001 et seq., and the Rules of the Health Services and Development Agency, that: Sunrise Community of Tennessee, Inc., owned by: Sunrise Community of Tennessee, Inc. with an ownership type of corporation and to be managed by: Sunrise Community of Tennessee, Inc. intends to file an application for a Certificate of Need for: The establishment of a 4-bed ICF/IID home at 600 Quaker Knob Road, Cherokee, Greene County, Tennessee 37641. The estimated project costs, calculated according to HCDA rules, for this project are approximately \$565,866. These beds, replacing four beds being closed at Greene Valley Developmental Center, will be licensed by the Tennessee Department of Intellectual and Developmental Disabilities as ICF/IID beds upon project completion. Services provided will include life care support for individuals with intellectual and/or developmental disabilities, appropriate therapies, community integration, and life skills development.

The anticipated date of filing the application is: November 13, 2015.

The contact person for this project is: Ann Williams, Executive Director who may be reached at: Sunrise Community of Tennessee, Inc., 1705 West Main Street, Greeneville, Tennessee 37743; 423/636-1333 ext 115.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted.

Written requests for hearing should be sent to: Health Services and Development Agency, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, Tennessee 37243.

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1007(c)(1): (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency. 11/9/15

## 1 PUBLIC NOTICES

## Public Notices

IN THE CHANCERY COURT FOR GREENE COUNTY, TENNESSEE  
THIRD JUDICIAL DISTRICT  
SITTING AT GREENEVILLE

ORDER OF PUBLICATION AND NOTICE IN THE CHANCERY COURT OF GREENE COUNTY, TENNESSEE

LETTIA ASHLEY EMBEYER

Plaintiff

vs.

ANTHONY EDWARD EMBEYER,

Defendant,

Case Action No. 20150118

TO: ANTHONY EDWARD EMBEYER

BY ORDER of the Honorable Douglas T. Jenkins, Chancellor for the Greene County Chancery Court, Third Judicial District, sitting at Greeneville, Tennessee, on the 23rd day of October 2015:

It appears from the Order of the Judge in the cause referenced above and from the other things in this order, that ordinary procedure should be served upon ANTHONY EDWARD EMBEYER. Service of process by publication has been ordered for said accordingly pursuant to Tennessee Code Annotated §§ 1-1-103 and Tennessee Code Annotated § 1-1-104. It is ordered that publication of this Order shall be made for first contact the weekly in the Greeneville Sun, which is published weekly in Greene County, Tennessee.

You, ANTHONY EDWARD EMBEYER, are defendant in the action as captioned above and are ordered to answer the complaint filed in this case on or before the 10th day of November 2015, at 10:00 a.m., or as soon thereafter as to come may be heard.

11/9/15 THE JUDGE OF October 2015

KEY SOLICITOR ARMSTRONG  
Clark & Master to the Greene County Chancery Court

APPROVED FOR ENTRY:  
K. HOWELL RHO, JR.,  
JUDGE & CHANCERY CLERK  
B.P.R. 205742  
Attorney for Plaintiff  
128 South Main Street  
Greeneville, Tennessee 37743  
Telephone: (423) 638-8381  
11/9/15, 11/16/15, 11/16/15, 11/23/15

Corrections Office Examination

The Greene County Civil Service Board and the Greene County Sheriff's Department will be conducting a civil service examination for the position of corrections officer at the Greene County Court House in the General Sessions Court Room on Saturday November 14, 2015 at 10:00 a.m. Candidates eligible for the position must be at least 18 years of age, a U.S. citizen, a high school graduate or possess a GED, and have no criminal record. Candidates must possess a valid Tennessee driver's license. Be able to pass a physical and psychological examination and be of good moral character. Rotating shift work is required. Additional requirements may apply to this position. Starting compensation for this position is \$12.35 per hour. Applicants may be contacted at the Greene County Sheriff's Department, 116 East Depot Street, Greeneville, TN 37743 between the hours of 8:00 a.m. and 4:00 p.m. Monday through Friday. Completed applications must be turned in at the Greene County Sheriff's Department no later than 4:00 p.m. Friday November 13, 2015. 11/9/15, 11/16/15, 11/16/15, 11/23/15, 11/23/15

## NOTICE-NOTICE-NOTICE

## Public Notices

The Greeneville Sun Classified Department would like to remind our customers to be aware of some things. Please do not give us any financial information to anyone that is not a member of our staff. The Greeneville Sun name will be placed on all the sales representatives' complete the sales with credit or cash and not expect at the time of the sales representative will return the customer's name to the phone.

## NOTICE-NOTICE-NOTICE

## Public Notices

UNAUTHORIZED USE OF THE GREENEVILLE SUN

paper tubes for circulation or any other advertisements or purposes will result in a minimum \$250 charge for which the advertiser or user may be liable.

## 2 ANNOUNCEMENTS

## Public Notices

Lost and Found

LOST YOUR PET?

Have your pet listed at [www.greenevillesun.com](http://www.greenevillesun.com) click place an ad

We need your pet back home safe and sound!

What service for your special pet.

The Greeneville Sun

Chihuahua male found on Whiskey Road. Contact 423-688-8638

FOUND: CUTE KITTEN. Males, approx. 4-5 weeks old, on Hampton Hwy. Call 423-629-9176

Lost - Male Black Mouth Wolfhound. Your former dog, golden tan with black and white markings, lost in Middle Creek/Dyersville area. Do not approach, please call 423-626-8744

LOST YOUR PET?

We may have found it!

Call Hanky Society 638-4771

LOST: West 1104, in Lewis's parking lot. Neutral, male, answers to "Piggy". Please help! 423-571-0252

LOST: CAT: Solid grey, wearing red collar with "Mika" on it. In the Road Lane area. Call 423-552-8894 or 423-600-7561. \$500 REWARD

WARNING: Ads for free pets. Your beloved pet deserves a loving, caring home. The ads for free pets put your pet at risk of being sold to someone who will not put it to work. For research in breeding purposes. Please screen all applicants carefully when giving an animal away. Your pet will thank you!

Of Interest

SMOKY MOUNTAINS!!

Best information on Smoky County tourism and the Smoky Mountains of East Tennessee and Western North Carolina is in the Road Road Guide. This little gem publication is a free promotional of information. See our brochure and publications in racks at interstate rest areas in Smoky County!

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Of Interest

SMOKY MOUNTAINS!!

## Of Interest

## Public Notices

Stay up to date with latest health news. Look for The Health Pages every Monday in the Greeneville Sun.

## Personals

Adoption is a gift of love. Active, muscular, secure woman will cherish your gift forever. I promise to provide your baby with a loving home filled with happiness, laughter and a stable future. Expenses Paid. Call Sarah 1-855-914-9158

## Greeneville

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We are always open to serve you!

The Greeneville Sun

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## 4 FINANCIAL

## Public Notices

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WEDNESDAY NOVEMBER 18TH, 2015 10:00 a.m.

1670 HICKMAN HIGHWAY, HICKMAN, TN 37348

INDUSTRIAL & CONSTRUCTION EQUIPMENT - TRUCKS - TRAILERS

WEDNESDAY NOVEMBER 18TH, 2015 10:00 a.m.

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### **A.3. – Corporate Documents**

#### **Certificate of Corporate Existence**

#### **Corporate Charter**



**STATE OF TENNESSEE**  
**Tre Hargett, Secretary of State**  
Division of Business Services  
William R. Snodgrass Tower  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102

**CELESTE PUTNAM**  
2400 NAPOLEON BONAPARTE DRIVE  
TALLAHASSEE, FL 32308

November 8, 2015

**Request Type: Certificate of Existence/Authorization**  
Request #: 0180617

Issuance Date: 11/08/2015  
Copies Requested: 1

**Document Receipt**

Receipt #: 002302510 Filing Fee: \$22.25  
Payment-Credit Card - State Payment Center - CC #: 165739250 \$22.25

**Regarding: SUNRISE COMMUNITY OF TENNESSEE INC.**

Filing Type: Nonprofit Corporation - Domestic  
Formation/Qualification Date: 04/10/1995  
Status: Active  
Duration Term: Perpetual  
Business County:

Control #: 293163  
Date Formed: 04/10/1995  
Formation Locale: TENNESSEE  
Inactive Date:

**CERTIFICATE OF EXISTENCE**

I, Tre Hargett, Secretary of State of the State of Tennessee, do hereby certify that effective as of the issuance date noted above

**SUNRISE COMMUNITY OF TENNESSEE INC.**

- \* is a Corporation duly incorporated under the law of this State with a date of incorporation and duration as given above;
- \* has paid all fees, taxes and penalties owed to this State (as reflected in the records of the Secretary of State and the Department of Revenue) which affect the existence/authorization of the business;
- \* has filed the most recent annual report required with this office;
- \* has appointed a registered agent and registered office in this State;
- \* has not filed Articles of Dissolution or Articles of Termination. A decree of judicial dissolution has not been filed.

Tre Hargett  
Secretary of State

Processed By: Cert Web User

Verification #: 014377630

# Secretary of State

## Corporations Section

James K. Polk Building, Suite 1800

Nashville, Tennessee 37243-0306

DATE: 04/10/95

REQUEST NUMBER: 2996-2486

TELEPHONE CONTACT: (615) 741-0537

FILE DATE/TIME: 04/10/95 0946

EFFECTIVE DATE/TIME: 04/10/95 0946

CONTROL NUMBER: 0293163

TO:  
SUNRISE COMMUNITY, INC.  
% SHERRI L. THORP  
9040 SUNSET DR. S70-A  
MIAMI, FL 33173

RE:  
SUNRISE COMMUNITY OF TENNESSEE INC.  
CHARTER - NONPROFIT

CONGRATULATIONS UPON THE INCORPORATION OF THE ABOVE ENTITY IN THE STATE OF TENNESSEE, WHICH IS EFFECTIVE AS INDICATED.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE ON OR BEFORE THE FIRST DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE CORPORATION'S FISCAL YEAR. ONCE THE FISCAL YEAR HAS BEEN ESTABLISHED, PLEASE PROVIDE THIS OFFICE WITH THE WRITTEN NOTIFICATION. THIS OFFICE WILL MAIL THE REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE CORPORATION AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE CORPORATION TO ADMINISTRATIVE DISSOLUTION.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE. PLEASE BE ADVISED THAT THIS DOCUMENT MUST ALSO BE FILED IN THE OFFICE OF THE REGISTER OF DEEDS IN THE COUNTY WHEREIN A CORPORATION HAS ITS PRINCIPAL OFFICE IF SUCH PRINCIPAL OFFICE IS IN TENNESSEE.

FOR: CHARTER - NONPROFIT

ON DATE: 04/06/95

FROM:  
C T CORPORATION SYSTEM (PLANTATION, FL.)  
1200 S PINE ISLAND R

RECEIVED: FEES \$50.00 \$50.00  
TOTAL PAYMENT RECEIVED: \$100.00

PLANTATION, FL 33324-0000

RECEIPT NUMBER: 00001791032  
ACCOUNT NUMBER: 00000008



*Riley C. Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE

2005 2430

ARTICLES OF INCORPORATION  
OF  
SUNRISE COMMUNITY OF TENNESSEE INC  
(A Tennessee Nonprofit Corporation)

RECEIVED  
**FILED**  
95 APR 10 AM 9:50  
J. DARNELL  
SECRETARY OF STATE

The undersigned, a natural person the age of twenty-one years or more, acting as incorporator of a corporation, hereby adopts the following Articles of Incorporation for such corporation pursuant to the Tennessee Not-for-profit Corporation Act, and signs and delivers the following Articles of Incorporation.

ARTICLE I - NAME

The name of this corporation is Sunrise Community of Tennessee Inc.

ARTICLE II - DURATION

The existence of this corporation shall commence on the 1st day of April, 1995; provided that if such day be unauthorized under law, then on the earliest day allowable pursuant to Tennessee law for the commencement of corporate existence. The duration of the corporation shall be perpetual.

ARTICLE III - PURPOSE

The nature of the business and the objects and purposes to be transacted, promoted, or carried on by the corporation are as follows:

- A. This corporation is a nonprofit corporation as defined in the Tennessee Nonprofit Act. The corporation is not formed for pecuniary profit.
- B. This corporation is organized and operated exclusively for charitable and educational purposes within the meaning of Internal Revenue Code Section 501(c)(3).
- C. This corporation is authorized to engage in any lawful activity for which nonprofit corporations may be organized under the laws of the State of Tennessee and shall have all of the powers vested in a nonprofit corporation organized under and existing by virtue of the laws of the State of Tennessee, consistent with the purposes in Paragraph B above.
- D. This corporation is a Public Benefit Corporation.

ARTICLE IV - LIMITATION

- A. No part of the net earnings, gains or assets of the corporation shall inure to the benefit of or be distributable to its Members, nonvoting Members,

Directors or Officers, other private individuals or organizations organized and operated for a profit; provided, however, the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of the purposes set forth in Article 3 hereof, to the extent permitted by law.

RECEIVED  
JAN 10 1980  
JAMES DARNELL  
SECRETARY OF STATE

B. Notwithstanding any other provisions in these Articles, the corporation shall not carry on any activities not permitted to be carried on by (a) an organization exempt from federal income tax described in Internal Revenue Code Section 501(a) as an organization described in Internal Revenue Code Section 501(c)(3); and (b) an organization described in Internal Revenue Code Sections 509(a)(1), (2) or (3) (as the case may be); and/or (c) by an organization contributions to which are deductible under Internal Revenue Code Sections 170(c)(2), 2055(a)(2) or 2522(a)(2).

#### ARTICLE V - MEMBERS

The corporation shall have such members as are specified in the bylaws of the corporation.

#### ARTICLE VI - INITIAL REGISTERED OFFICE AND AGENT

The street address of the initial registered office of this corporation and the name of the initial registered agent of the corporation at such address are as follows:

##### Registered Agent

C T Corporation System

##### Street Address of Registered Office

c/o 530 Gay Street  
Knoxville, TN 37902

#### ARTICLE VII - BOARD OF DIRECTORS

The management of the corporation shall be vested in a Board of Directors. The number of Directors constituting the initial Board of Directors is three. The number of Directors may be increased or decreased from time to time in accordance with the Bylaws, but shall never be less than three. The manner of election of directors and officers of the corporation shall be provided in the bylaws of the corporation. The names and addresses of the initial Directors of this corporation are as follows:

##### Name

Geraldine Tucker

##### Address

8100 SW 133 Court  
Miami, FL 33183

RECEIVED  
Richard Smith

1995 APR -6 AM 9:35

RILEY DARNELL  
Barnett Greenberg

RECEIVED  
Apartment #6  
7540 SW 59th Ct.  
Miami, FL 33143

7761 SW 176 Street  
Miami, FL 33157

#### ARTICLE VIII - DISSOLUTION

In the event of dissolution or final liquidation of this corporation, the Board of Directors shall, after paying or making provision for the payment of all the lawful debts and liabilities of the corporation, distribute all the assets of the corporation to one or more of the following categories of recipients as the Board of Directors of the corporation shall determine:

(a) A nonprofit organization or organization which may have been created to succeed the corporation as long as such organization or each such organization shall then qualify as a governmental unit under Internal Revenue Code Section 170(c) or as an organization exempt from federal income taxation under Internal Revenue Code Section 501(a) as organization described in Internal Revenue Code Section 501(c)(3); and/or

(b) A nonprofit organization or organizations having similar aims and objects as the corporation and which may be selected as an appropriate recipient of such assets, as long as such organization or each of such organizations shall then qualify as a governmental unit under Internal Revenue Code Section 170(c) or as an organization exempt from federal income taxation under Internal Revenue Code Section 501(a) as an organization described in Internal Revenue Code Section 501(c)(3).

#### ARTICLE IX - INCORPORATOR AND PRINCIPAL OFFICE OF CORPORATION

The following address is the initial principal office of the Corporation.  
The name and address of the person signing these articles is:

Name

Leslie W. Leech, Jr.

Address

Suite 70-A  
9040 Sunset Drive  
Miami, FL 33173

1995 2-1-95

RECEIVED  
STATE



RECEIVED  
STATE

1995 APR -6 AM 9:35

ARTICLE X - INDEMNIFICATION

95 APR 10 AM 9:50

This corporation shall indemnify all officers and directors and former officers and directors, to the fullest extent permitted by law as the law now exists or may be amended hereafter.

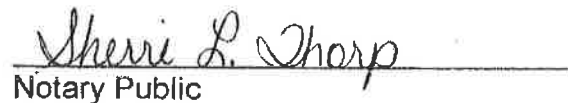
SECRETARY OF STATE

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation this 29th day of March, 1995.

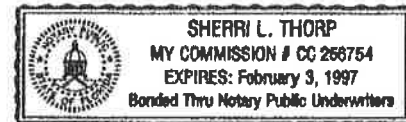
  
Leslie W. Leech, Jr.

STATE OF FLORIDA  
COUNTY OF DADE

The foregoing Articles of Incorporation were acknowledged before me, this 29th day of March, 1995, by Leslie W. Leech, Jr. as Incorporator.

  
Notary Public

sconci.art



#### **A.4. – Ownership Structure**

**Ownership Structure Organizational Chart**

**Explanation of Corporate Structure**

**Financial Interest in Other Tennessee Health Care Institutions**

# Corporate Table of Organization

Log Cabin Enterprises, Inc.  
while affiliated with our group of  
companies, does not have a sole member  
relationship.

**The Phineas Corporation**  
Sole member of those connected with a GREEN line

**Regional Properties, Inc.**  
Sole member of those connected with a BROWN line

**Cape Coral Home, Inc.**  
(Currently Inactive)

**The Haven Center, Inc.**

**Sunrise Community Promotions, Inc.**

**Sunrise Community Foundation, Inc.**

**Sunrise Community, Inc.**

**Sunrise Opportunities, Inc.**

**Sunrise Northeast, Inc.**

**Resources For Independence**

**Sunrise Community of Southwest Florida, Inc.**

**United Cerebral Palsy of Tallahassee, Inc.**

**United Cerebral Palsy of Tampa Bay, Inc.**

**United Cerebral Palsy of Southwest Florida, Inc.**  
DBA: UCP of Sarasota-Manatee

**United Cerebral Palsy of Tampa Bay Foundation, Inc.**

**Sunrise 2000, Inc.**  
Sole member of all companies linked with a BLUE line

**Sunrise Community of Georgia, Inc.**

**UCP of Savannah & the Golden Isles, Inc.**  
(Currently Inactive)

**Sunrise Community of Indiana, Inc.**  
(Currently Inactive)

**Sunrise Community of Maryland, Inc.**  
DBA: UCP On the Potomac

**Sunrise Community of New Mexico, Inc.**  
(Currently Inactive)

**Sunrise Community of North Carolina, Inc.**  
(Currently Inactive)

**Sunrise Community of Polk County, Inc.**  
DBA: Sunrise Community of Central Florida

**Sunrise Community of Tennessee, Inc.**

**Sunrise UCP of East Tennessee, Inc.**  
(Currently Inactive)

**Resources for Independence of Virginia, Inc.**

**United Cerebral Palsy of Kentucky, Inc.**  
(Currently Inactive)

**Sunrise Community Services, Inc.**  
Sole member of those connected with a PINK line

**United Cerebral Palsy Association  
Of Greater Hartford, Inc.**

**TECH of Collier County, Inc.**  
Currently Inactive

**The Sunrise Community of Not-for-profit Organizations  
Corporate Structure, Relationships, Management and Administrative Services**

**I. Explanation of Sunrise Corporate Relationships**

A reorganization was initiated in 1988 in response to concerns voiced by the Board of Directors and Executive Management Staff brought about by the continued growth of Sunrise. There was a growing need to separate some of the functions of the organization in order to facilitate contracting in other states, to give a greater focus to services at the community level, and to protect the assets of the agency. In addition, with the award of a new project in Connecticut, that state required, as do most states, that a provider be incorporated in the respective state where it will do business.

The reorganization plan was examined and approved by the IRS in its tax ruling of 1988. It recognized that the mission of the entire operation and organization, including all existing 501(c)(3) entities, was driven by a charitable purpose. An assignment of our properties, fundraising and special event activities, and our management and operational contracts was made to separate companies within the group. These specialized separate companies within the group maintain their 501(c)(3) non-private foundation status, because they exist to support the overall charitable purpose of the organization. Based on the IRS ruling, a majority of the board of directors for each of the subsidiary corporations must be persons who serve as directors of the Sunrise Community, Inc. board. This entity is the cornerstone providing most of the supports that form the charitable nature and purpose of the companies. The Board of Directors for each corporation has the duty of directing the management of each respective corporation. Following are the original organizations included in the reorganization plan of 1988.

- a. The Phineas Corporation (aka: The Sunrise Group)
- b. Regional Properties, Inc.
- c. Sunrise Community Foundation, Inc.
- d. Sunrise Community Promotions, Inc.
- e. Sunrise Community, Inc.
- f. Sunrise Northeast, Inc.

As the Sunrise Group continued to grow and expand to other states, it became apparent that a streamlined and simplified process for obtaining the required 501(c)(3) IRS ruling for newly formed corporations would be of great benefit. Sunrise 2000, Inc. was created for the sole purpose of filing for a Group Exemption Request in an effort to simplify and speed up the process of acquiring the 501(c)(3) tax exempt status for an initial group of corporations formed in 1995, and any new operating companies incorporated in the future. The IRS approved this Group Exemption request in March of 1996 and the exemption letter was issued to Sunrise 2000, Inc., the Central Organization to the group of 501(c)(3) organizations. IRS procedures require that we provide an update to their roster of subordinate organizations of Sunrise 2000, Inc., along with other pertinent information, on an annual basis. The IRS will not issue separate

determination letters for the subordinate organizations, stating that the group letter addressing Sunrise 2000 and its subordinates is sufficient to meet all requirements.

**II. Additional Companies That Were Created or Joined the Group**

**-1994 to present**

- Resources for Independence (of Alabama)
- United Cerebral Palsy of Tallahassee, Inc.
- United Cerebral Palsy of Southwest Florida, Inc. (dba: UCP Sarasota-Manatee)
- Sunrise Opportunities, Inc.
- United Cerebral Palsy Association of Greater Hartford, Inc.
- Sunrise Community of Maryland, Inc. (dba – UCP on the Potomac)
- Sunrise Community of Polk County, Inc.
- Sunrise Community of Tennessee, Inc.
- Resources for Independence of Virginia, Inc.
- Log Cabin Enterprises, Inc.
- The Haven Center, Inc.
- Sunrise 2000, Inc.
- Sunrise Community Services, Inc.
- Sunrise Community of Georgia, Inc.
- United Cerebral Palsy of Tampa Bay, Inc.
- United Cerebral Palsy of Tampa Bay Foundation, Inc.
- Cape Coral Home, Inc. (currently inactive)
- United Cerebral Palsy of Savannah & The Golden Isles, Inc. (currently inactive)
- Sunrise Community of New Mexico, Inc. (currently inactive)
- Sunrise Community of North Carolina, Inc. (currently inactive)
- Sunrise UCP of East Tennessee, Inc. (currently inactive)
- United Cerebral Palsy of Kentucky, Inc. (currently inactive)
- Sunrise Community of Indiana, Inc. (currently inactive)
- Sunrise Community of Southwest Florida, Inc. (currently inactive)
- TECH of Collier County, Inc. (dba: Sunrise Community of Collier County, Inc.) (currently inactive)

**III. Relationship of Corporations**

- a. The Phineas Corporation (The Sunrise Group), Sunrise 2000, Inc. and Sunrise Community Services, Inc.

As parent companies, these corporations do not have any management responsibilities. Their sole function is to elect the Directors of each of their respective subsidiaries. They are not involved in any of the day-to-day operations, management or governance.

Sunrise 2000, Inc. was created for the sole purpose of filing a Group Exemption Request in an effort to simplify and speed up the process of acquiring 501(c)(3) tax exempt status for the most recent group of companies and any new corporations that may be added in the future.

b. Regional Properties, Inc. and The Haven Center, Inc.

Regional Properties is limited to the ownership and leasing of real property to the other organizations within the Group. Income received by this company is used strictly to cover expenses including the payment of indebtedness on its real property. This company does not accumulate cash. Should any excess revenue be realized, it is transferred to the parent company.

The Haven Center, Inc. was originally a separate Florida corporation providing services to people with disabilities. The Haven Center, Inc. chose to join the Sunrise Group after being placed in receivership. The Haven Center, Inc. is now limited to ownership and leasing of real property to the other organizations within the Group. The sole member of The Haven Center, Inc. is Regional Properties, Inc. The consumer services formerly provided by The Haven Center were transferred to other Sunrise operating companies.

c. Sunrise Community Promotions, Inc.

Sunrise Community Promotions was created for the purpose of operating special fund raising events for the benefit of Sunrise Community, Inc. and other operating companies within the Group.

d. Sunrise Community Foundation, Inc.

Sunrise Community Foundation, Inc. is devoted to raising funds in support of the other entities in the Group. The Foundation is concerned with raising funds through philanthropic support: foundations, corporations, individuals, special gifts, annual fund drives and support organizations in the community.

e. United Cerebral Palsy of Tampa Bay Foundation, Inc.

UCP of Tampa Bay Foundation, Inc. is devoted to raising funds in support of United Cerebral Palsy of Tampa Bay, Inc. This Foundation is concerned with raising funds through philanthropic support: foundations, corporations, individuals, special gifts, annual fund drives and support organizations in the community.

f. Sunrise Community, Inc.

Sunrise Community, Inc. is the key organization in the structure. This company employs all corporate level staff. Under IRS regulations, 501(c)(3) status of all non-operating companies was granted based on their support of Sunrise Community, Inc.

g. Cape Coral Home, Inc.

Cape Coral Home, Inc. was created in order to satisfy a HUD requirement for a Section 811 Fund Reservation to be used to build an accessible home in the Cape Coral area. The creation of a single-purpose owner corporation was required for this project.

h. Operating Corporations

The remaining corporations in the group are operating companies that directly provide assistance and support to the individuals we serve. All of these companies share the same mission: providing people with disabilities the assistance and support necessary to enable them to live valued lives in the community.

**IV. Management Team**

Each operating company has a local Administrator or Director who is committed to and responsible for the development of their respective agency. Each Administrator has a strong personal commitment to the success of “their” company or companies.

The Administrator or Director receives constant support from the President, Chief Operating Officer, Vice Presidents and the Executive Management team at the corporate level. Our management team is experienced in creating agencies, acquisitions, financing, construction, program implementation, risk management to include insurance and workers’ compensation administration, management, and financial and personnel administration.

The number one priority for Staff and Boards is to provide people with disabilities the assistance and support necessary to enable them to live valued lives in the community.

**V. Services provided to the Sunrise Organizations**

The primary benefit of association with Sunrise is the availability of coordinated administrative services through highly trained professionals with specific expertise in all areas of agency administration.

While most of these services could be purchased from various providers, few providers would have the experience and expertise in the management and administration of private, not for profit agencies assisting people with disabilities that can be provided by Sunrise.

a. Financial Services

- Centralization of cost management
- Fully implemented internal control procedures
- Centralized electronic billing for all services
- Centralized accounting and bookkeeping using customized computer software designed to meet the needs of the Developmental Services field.
- Centralized financial cost reporting
- Centralized management of annual audit
- Centralized reimbursement management
- Centralized payroll functions

- b. Human Resources
- Expertise in employment law
  - Turnover analysis and control
  - Centralized Human Resources Information System
  - Employee relations management
  - Human Resources training for managers
  - Development of Personnel Policies and Procedures and Employee Handbook
  - Job line - Available throughout all locations
- c. Employee Benefits
- Retirement Benefits
  - Negotiated Medical Insurance of which employee provides nominal co-payment
  - Negotiated Dental, Life and Disability Insurance
  - Tuition Reimbursement
  - Employee Referral Program
  - Paid vacation, sick, and personal leave
  - 8 paid holidays
- d. Quality Assurance and Internal Auditing
- Individualized assessments
  - Computerized assessment system
  - Internal, objective, independent evaluation system
  - Technical assistance
  - On-site start-up training for new program staff
- e. Policies & Procedures
- Policies and Procedures, which meet or exceed each individual state and community requirements, and federal requirements, as applicable.
- f. Risk Management
- Comprehensive risk management program
  - Safe Drivers Training
  - Coordination and review of all Safety Committee activities at each locale
  - Policies and Procedures which ensure compliance with all legal requirements
  - Loss control and analysis
  - Coordination of corporate-wide insurance package
  - Loss prevention training for managers
- g. Public Relations & Development
- Production and quality control for publications and brochures
  - Corporate wide magazine publication
  - Assistance with grant writing
  - Assistance with special events and fund raisers

- Planning and implementation of fund raising activities
- Training to managers in media and community relations

h. Information Systems

- Comprehensive IT network infrastructure
- Provide technical support and training
- Systems management and maintenance
- Assures systems and data availability, integrity and security
- Emergency recovery support for business continuity
- Policies and Procedures for IT related business functions
- Evaluation, planning and implementation of IT initiatives necessary for compliance and business growth and support

i. Sunrise University

- Develop existing and future leaders within the organization through education and structured experiences
- Implemented a program for direct support employees creating opportunities for personal growth, professional advancement and monetary awards
- Continually improve employee job performance and skills

9/2015

## Financial Interest in Other Tennessee Health Care Institutions

***For Section A, Item 4, Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% or more ownership interest. In addition, please document the financial interest of the applicant, and the applicant's parent company/owner in any other health care institution as defined in Tennessee Code Annotated, §68-11-1602 in Tennessee. At a minimum, please provide the name, address, current status of licensure/certification, and percentage of ownership for each health care institution identified.***

**RESPONSE:** Neither the Applicant nor applicant's parent company/owner has any financial interest in any other Tennessee health care institution, as defined in Tennessee Code Annotated, §68-11-1602.

## **A.6. – Legal Interest in the Site of the Institution**

### **Lease Agreement**

## NET LEASE AGREEMENT

THIS LEASE AGREEMENT, made as of this 1st day of July, 2013,  
Between REGIONAL PROPERTIES, INC., a Florida corporation, (hereinafter referred to  
"LESSOR") AND SUNRISE COMMUNITY OF TENNESSEE, INC., a Tennessee  
corporation, (hereinafter referred to as "LESSEE").

### **DEMISE TERM**

1. In consideration of the obligation of Lessee to pay as herein provided, and in consideration of the other terms, provisions and covenants hereof, the Lessor hereby leases to the Lessee the Property and all improvements and premises located thereon attachment (A) hereinafter referred to as the Demise Premises. The Demise Premises are more particularly described as follows:

All real estate acquired anywhere within the State of Tennessee by Regional Properties, Inc. For use by Sunrise Community of Tennessee, Inc. to provide residences and/or training facilities for individuals with developmental disabilities excluding any properties governed by as separate written lease specifically identifying the property.

The Lessor leases to the Lessee The Demised Premises for a term of FIVE (5) years, beginning on the Date of Certification and or licensure, or Date of Acquisition and ending on the last day of the certification/licensure month, or date of acquisition following the five years.

In the event that Lessor shall permit Lessee to occupy the Demised Premises prior to the commencement date of the term, such occupancy shall be subject to all the provisions of this lease. Said early possession shall not advance the expiration date hereof. Lessee covenants as a material part of the consideration for this Lease, to keep and perform each and all of said term, covenants and conditions by it to be kept and performed, and this Lease is made upon the condition of said performance.

### **BASE RENT**

#### **2a. BASE MONTHLY RENTAL**

The Lessee shall pay to the Lessor during each month of the initial term of the lease stated in Section 1, a base monthly rental which shall be the maximum amount for which reimbursement is payable for this expense (including all elements thereof in the manner which is appropriate for related parties and including all such related expenses even if predating the date of this lease or commencement date) and with a charge for that percentage of non eligible clients which shall be the greater of the rate plus \$30.00 per month or fair market value. Lessor shall have the option to renegotiate the terms of this lease if a change is made in the use of the premises or if a change occurs in the funding mechanism for a large number of clients served at the facility or if necessary to ensure

that levels of reimbursement for the property do not decrease below the maximum level of reimbursement possible.

It is further agreed that, notwithstanding anything herein to the contrary contained, the Demised Premises are leased for the sum total of all Base Monthly Rental, plus all adjustments and additions thereto, as hereinafter proved, which is payable at the time of the making of this lease and that the provisions herein contained for the payment of such rent in installments are for the convenience of the Lessee only, and that, upon default in the payment of such rent in installments as herein allowed, the whole of the Base Monthly Rental, plus all adjustments and additions thereto, as hereinafter provided, hereby reserved for the whole of the periods herein provided for and then remaining unpaid shall at once become due and payable without any notice or demand.

No payment by the Lessee or receipt by the Lessor of a lesser amount than the rent stipulated in this Lease shall be deemed other than a payment on account of the earliest rent due, nor shall any endorsement or statement on any check or on any letter accompanying any check or payment as rent be deemed an accord and satisfaction. The Lessor may accept such check or payment without prejudice to its right to recover the balance of the rent or to pursue any other remedy provided for in this lease, or permitted to the Lessor pursuant to applicable law.

All rent shall be paid without any offset or deduction whatsoever in lawful money of the United States of America at office of the Lessor or at such other place and to such other person as the Lessor may, from time to time, by written notice designate.

The first installment of Base Monthly Rental shall be due and payable on the date of licensure, which shall be known as the Rental Commencement Date. Lessee is excused from paying Base Monthly Rental and all other charges hereunder from the commencement date of the term of this Lease until the Rental Commencement Date in order that Lessee may renovate the Demised Premises in order to render same suitable for Lessee's intended use. If the first or last month of this lease is less than a full calendar month, that month's rent shall be prorated.

In addition to all other sums required to be paid by the Lessee, the Lessee shall and hereby agrees to pay to Lessor each month as additional rent hereunder, a sum equal to any sales tax, tax on rentals, and any other charges, taxes and/or impositions, now in existence or hereafter imposed, based upon the privilege of renting the Demised Premises leased hereunder or upon the amount of taxes imposed on the Lessor.

## 2b. NET LEASE: TAXES AND ASSESSMENTS

Lessee shall pay, in addition to all other sums to be paid under this Lease, all real property and personal property taxes which shall be assessed against the Demised Premises throughout the initial and all renewal terms of this Lease, within thirty (30) days from the service of a written notice upon the Lessee. Lessee shall also pay the amount of all assessments that may arise out of the improvements on the Demised Premises or on the sidewalks surrounding it, within thirty (30) days from the service of written notice upon Lessee therefor.

### **SECURITY DEPOSIT**

3. Lessor does not require Lessee to deposit any security deposit with Lessor.

### **ACCEPTANCE OF PREMISES**

4. The execution of this Lease by Lessee shall be deemed conclusively to establish that Lessee accepts the Demised Premises in its current condition, "AS IS", and acknowledges the same are in the condition required hereunder. The taking of possession of the Demised Premises by Lessee shall be conclusive evidence that the said Demised Premises were in all respects in good and satisfactory condition and acceptable to Lessee at the time that Lessee takes possession. Lessee, by taking possession of the Demised Premises, releases Lessor from any and all claims arising from any defect in condition of said Demised Premises, or the property, or the equipment, fixtures or appliances in or serving said Demised Premises and the sidewalks adjoining or appurtenant thereto. Lessor shall not be required to decorate or make any repairs or improvements to the Demised Premises, of any kind, nature or description whatsoever, during the term hereof. Lessee hereby acknowledges that Lessor has made no promises, agreements or representations as to the decorations, repair, alterations, or maintenance of the Demised Premises. Except for the initial agreement to deliver the property with all improvements required for licensing and/or other funding source requirements.

### **ASSIGNMENT; SUBLETTING - BY LESSEE**

5. Lessee shall not assign this Lease. Lessee may freely sublet the Demised Premises or any portion thereof so long as this does not violate the terms of any mortgage or lien upon the Demised Premises. The consent of Lessor to any subletting need not be obtained provided such sublease is expressly subordinate to this Lease.

Lessee shall not be released from any of its liabilities or obligations hereunder as the result of any subletting. The sub-lessee shall also become liable for all of Lessee's obligations and liabilities as a result of such subletting. Neither this Lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the demised premises or any buildings or improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever, and any such attempted involuntary assignment, transfer, or sale shall be void and of no effect and shall, at Lessor's option, terminate this Lease.

Upon the occurrence of a default of this Lease, and if the Demised Premises or any portion thereof are then sublet, Lessor, in addition to any other remedies herein provided or provided by law, may at its option collect directly from such subtenant all rents becoming due to Lessee under such sublease and apply such rent against any sums due to it by Lessee hereunder, and no such collection shall be construed to constitute a novation or a release of Lessee from the further performance of its obligations hereunder.

In the event that Lessee is a corporation, partnership, or other form of business entity, any change in the ownership of Lessee, or in the effective voting control of Lessee, by way of sale of corporate stock, or by way of acquisition, merger or dissolution shall constitute an attempted assignment of this Lease, and shall require the prior written consent of Lessor. Consent to one assignment shall not constitute a waiver of this section 5, and all later assignments shall likewise be made in strict compliance herewith.

#### **ASSIGNMENT - BY LESSOR**

6. Lessor reserves the right to assign its interest under this Lease. Upon receipt of notice of any assignment by Lessor, Lessee shall fulfill each and every obligation and make all payments required under this Lease to such assignee, and Lessee further agrees that upon receipt of notice at any assignment by Lessor, Lessee will execute any acknowledgment, consent, or attornment agreement that Lessor or said assignee may require.

#### **USES OF DEMISED PREMISES; ALTERATIONS AND IMPROVEMENTS**

7. The Lessee may, at its own expense, make such alterations, improvements, additions, and changes to the Demised Premises as it may deem necessary or expedient in the operation of the Demised Premises, provided the Lessee, without the written consent of the Lessor shall not tear down or materially demolish any of the improvements on the Demised Premises, or make any material change or alteration in such improvements which, when completed, would substantially diminish the value of the Demised Premises. The Lessee shall not make any change in or alteration to the Demised Premises which would violate the terms of any mortgage then a lien upon the Demised Premises. Upon termination or expiration of this Lease all improvements erected, installed or placed by Lessee upon the Demised Premises shall become the property of Lessor. All alterations or additions shall comply with all applicable governmental laws, ordinances, regulations and other requirements.

Lessee shall not have any authority to create any liens for labor or material on the Lessor's interest in the Demised Premises, and all persons contracting with the Lessee are hereby charged with notice that they must look only to the Lessee and to Lessee's interests to secure the payment of any bills for work done or material furnished at the request or instruction of Lessee. Any expenditure made to acquire and to hold property until the date of certification are hereby considered to be a loan to Regional Properties, Inc., from Sunrise Community of Tennessee, Inc.. These cost shall include but not be limited to, architectural fees, appraisal and survey fees, interest, utility bills and maintenance cost. Any expenditures to renovate, refurbish, furnish and equip the demised premises in effort to prepare the property for licensure and/or to meet State/local requirements are also considered to be a loan to Regional Properties, Inc. from Sunrise Community of Tennessee, Inc..

## **USE OF DEMISED PREMISES; MAINTENANCE; REPAIRS**

8. Lessor shall not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description whatsoever to the Demised Premises.

There shall be no abatement of rent and no liability of Lessor by reason of any injury to or interference with Lessee's business arising from the making of any repairs, alterations or improvements in or to any portion of the Demised Premises, or in or to fixtures, appurtenances, and equipment therein, all of which are the sole responsibility of Lessee.

Lessee shall keep and maintain in good order, condition, and repair, which repair shall include replacement if necessary, the entire Demised Premises, as same shall be altered or improved, from time-to time by Lessee. Lessee shall, throughout the initial and all renewal terms of this Lease, at its own cost, and without any expense to Lessor, keep clean and maintain the Demised Premises (which includes all buildings and improvements thereon) in neat order, condition and repair, and this includes the obligation of Lessee to restore and rehabilitate any improvements of any kind that may be destroyed or damaged by fire, wind, water, casualty, or any cause whatsoever. Lessor shall not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description whatsoever to the Demised Premises. The damage, destruction, or partial destruction of any building or other improvement that is apart of the Demised Premises shall not release Lessee from any obligations of Lessee, it is agreed that the proceeds of any insurance (paid for by the Lessee) governing such damage or destruction shall be made available to Lessee for such repair or replacement, and shall be used solely for those purposes.

## **USE OF DEMISED PREMISES; PERMISSIBLE USES**

9. Lessee shall use and occupy the Demised Premises only for general purposes. Lessee shall, at its own cost and expense, obtain any and all licenses and permits necessary for its use and occupancy. Lessee shall comply with all governmental and judicial orders and directives for the correction, prevention and abatement of nuisances or illegal activities in or upon connected with the Demised premises, all at Lessee's sole expense. Lessee accepts the Demises Premises subject to all zoning other building and fire ordinances and governmental regulations relating to the use of the Demised Premises, and Lessor makes no warranty to Lessee that existing ordinances and regulations permit Lessee's intended use.

## **USE OF DEMISED PREMISES; PROHIBITED USES**

10. The Lessee covenants that no nuisance or hazardous trade or occupation shall be permitted or carried on in or upon the Demised Premises, and that Lessee shall not commit or suffer the commitment of any activity from, upon, or in connection with the

Demised Premises which is in any way illegal, unlawful, or violative of the legal rights of any person. Lessee shall not permit the Demised Premises to be used for any purpose which would render the insurance on the property void. Lessee further covenants not to conduct any business or permit any business to be conducted, or to do or permit any act or thing contrary to or in violation of the laws of the United States of America or of the State of Tennessee, or of the ordinances of the County or of the City, in or about said Demised Premises.

The judgment of any court of competent jurisdiction or the admission of Lessee in any action against Lessee, whether Lessor be a party thereto or not, that Lessee has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that facts as between the Lessor and Lessee.

## **SURRENDER**

12. If Lessee shall not remove all its affects from the Demised Premises at any termination or the expiration of this Lease, Lessor may, at its option, remove all or part of such effects in any manner that Lessor shall choose and store the same without liability to Lessee for loss or damage thereto, and Lessee shall be liable to Lessor for all expenses incurred in such removal and storage of said effects. Lessor may, at its option, without notice, sell at private sale all or part of said property and effects for such price as Lessor may deem best and apply the proceeds of such sale upon any amounts due under this Lease from Lessee to Lessor, including the expenses of such removal and sale.

In the event Lessee shall withhold from Lessor possession of the Demised Premises after the termination or expiration of this Lease, the damages for which Lessee shall be liable to Lessor for such detention shall be and hereby are liquidated at a sum equal to double the amount of base rental, plus all adjustments and additions thereto provided for herein for a period equal to the period of detention. In the event Lessee shall remain in possession of said Demised Premises after the expiration or termination of this Lease for any cause whatsoever, Lessee shall then be considered a tenant-at-sufferance and no such holding over or retention of possession or occupancy shall operate as an extension or renewal of this Lease in any manner whatsoever.

No surrender of the Demised Premises, or of the remainder of the term of this Lease, shall be valid or binding, unless accepted by Lessor, in writing.

## **DEFAULT; LESSOR'S REMEDIES**

13. In the event: (i) the rental or any installment thereof or adjustment thereto or other payment is not paid promptly when and where due; (ii) the Demised Premises shall be deserted, abandoned, or vacated; (iii) the Lessee shall fail to comply with any term, provision, condition or covenant contained herein other than the payment of rent, and shall not cure such failure within ten (10) days after the receipt of written notice from Lessor specifying any such default; (iv) any petition is filed by or against Lessee under

any section or chapter of the Bankruptcy Act as amended, or any other proceedings now or hereafter authorized by the laws of the United States or of any State for the purposes of discharging or extending the time for payment of debts; (v) Lessee shall become insolvent or make a transfer in fraud of creditors; (vi) Lessee shall make an assignment for the benefit of creditors; (vii) a receiver is appointed for Lessee by any court and the receivership shall not be dissolved within thirty days thereafter; (viii) the leasehold interest is levied on under execution; (ix) the Lessee fails to pay before delinquency all taxes and assessments on the Demised Premises and on additions and improvements in the Demised Premises; or (x) the Lessee removes or attempts to remove or manifests an intention to remove Lessee's goods or property from or out of the Demised Premises otherwise than in ordinary course of business without having first paid and satisfied Lessor for all sums which may become due Lessor during the entire term of this Lease; then, in any of said events Lessor shall have the option to do any of the following in addition to and not in limitation of any other remedy permitted by law or by this Lease. Lessor may:

(a) Terminate this Lease, in which event Lessee shall immediately surrender the Demised Premises to Lessor, but if Lessee shall fail to do so Lessor may, without further notice, and without prejudice to any other remedy Lessor may have for possession or arrearages in rent or damages for breach of contract, enter upon the Demised Premises and expel or remove Lessee and his effects, by force if necessary, without being liable to prosecution or any claim for damages therefor; and Lessee agrees to indemnify Lessor for all loss and damage which Lessor may suffer by reason of such Lease termination, whether through inability to re-let the Demised Premises, or through decrease in rent, or cost of recovering possession of the Demised Premises, or expenses of re-letting, including necessary renovation and alteration of the Demised Premises, or any real estate commission actually paid, or otherwise.

(b) Declare the entire amount of the rent which would become due and payable during the remainder of the term of this Lease to be due and payable immediately, in which event Lessee agrees to pay the same at once, together with all rents theretofore due, at the office of Lessor; provided, however, that such payment shall not constitute a penalty, forfeiture, or liquidated damage, but shall merely constitute a payment in advance of the rent for the remainder of the said term and such payment shall be considered, construed and taken to be a debt provable in Bankruptcy or receivership.

(c) Enter the Demised Premises as the agent of Lessee, by force if necessary, without being liable to prosecution of any claim for damages therefor, remove Lessee's property therefrom, and re-let the premises, or portions thereof, for such terms and upon such conditions which Lessor deems, in its sole discretion, desirable, and to receive the rents therefor, and Lessee shall pay Lessor any deficiency that may arise by reason of such re-letting, on demand at any time and from time to time at the office of Lessor; and for the purpose of such re-letting, Lessor may (i) make any repairs, changes, alterations, or additions in or to said Demised Premises that may be necessary or convenient, (ii) pay all

the costs and expenses therefor from rents resulting from re-letting and (iii) Lessee shall pay Lessor any deficiency as aforesaid.

(d) Take possession of any personal property on said Demised Premises and sell the same at public or private sale, without notice to Lessee, and apply same to the payment of rent due holding the Lessee liable for the deficiency, if any.

(e) Commence such legal proceeding, as Lessor may deem necessary for the eviction of Lessee or for any other remedies to which Lessor may be entitled.

It is expressly agreed and understood by and between the parties hereto that any installments of rent accruing under the provisions of this Lease and any other sums which may be payable to Lessor hereunder whether as additional rental or otherwise which shall not be paid when due shall bear interest at the maximum legal rate of interest per annum then permitted from the date when the same was payable by the terms hereof, until the same shall be paid by Lessee. Any failure on Lessor's behalf to enforce this paragraph shall not constitute a waiver of this provision with respect to future accruals of interest on past due sums.

Lessee agrees to pay a late charge for any installment of rent, additional rental, or other sum, accruing under the provisions of this Lease which are not paid when due in an amount equal to 5% of the amount not paid when due or \$50.00 per delinquency whichever is greater. The late charge shall partially reimburse Lessor for additional expenses Lessor incurs by reason of Lessee's delinquency including, but not limited to, Lessor's additional processing, bookkeeping, administrative, data processing and correspondence expenses. In addition, Lessee also agrees to pay all legal fees Lessor incurs in collecting any sums of money due from Lessee hereunder that are collected prior to the institution of legal proceedings, which pre-litigation fees are hereby stipulated and agreed to be not less than \$250.00.

The parties hereby agree that the late charges and pre-litigation fees herein provided represent a fair and reasonable estimate of the cost that Lessor will incur by reason of the late payment by Lessee. Acceptance of such late charges and pre-litigation fees by the Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted hereunder.

If Lessee shall default in making any payment of monies to any person or for any purpose as may be required hereunder, Lessor may pay such expense but Lessor shall not be obligated to do so. Lessee upon Lessor's paying such expense shall be obligated to forthwith reimburse Lessor for the amount thereof. All sums of money payable by Lessee to Lessor hereunder shall be deemed as rent for use of the Demised Premises and collectible by Lessor from Lessee as rent, and shall be due from Lessee to Lessor within ten (10) days after the payment of the expense by Lessor.

The rights of the Lessor under this lease shall be cumulative to those given by law and failure on the part of the Lessor to exercise promptly any rights given hereunder shall not operate to waive or to forfeit any of the said rights. Any remedy of Lessor may be exercised by Lessor without service of notice or resort to legal process and without Lessor being deemed guilty to trespass, or becoming liable for any loss or damage which may be occasioned by the exercise of any such remedy. Lessee hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Lessee being evicted or dispossessed for any cause, or in the event of Lessor obtaining possession of the Demised Premises, by reason of the violation by Lessee of any of the covenants or conditions of this Lease, or otherwise.

## **NOTICE**

14. Any notice required hereunder from Lessor shall be deemed delivered when deposited in the United States Mails (with sufficient postage attached), Certified Return Receipt Requested, addressed to Lessee at Lessee's last known address registered with Lessor. In addition to any means provided by law, Lessee consents to service of process by Certified Mail. Lessee's last known address shall be deemed to be the mailing address for the Demised Premises. Lessee may change its last known address by furnishing written notice of change of address to Lessor.

Lessor waives all statutory notice of default that may be required as a condition precedent to Lessor's right to seek judicial enforcement of the remedies reserved to it hereunder.

Any notice required hereunder from Lessee shall be deemed delivered when deposited in the United States mails (with sufficient postage attached), certified return receipt requested, addressed to Lessor, at Lessor's address for payment of rent, stated in Section 2 hereof. Lessor may change its address for services of notice by furnishing written notice of change of address to Lessee.

## **INSURANCE**

15. Lessee shall, at all times during the term of this lease and at Lessee's sole expense, keep all improvements that are now or hereafter a part of the Demised Premises insured against loss or damage by fire and the extended coverage hazards for the full insurable value thereof, with loss payable to Lessor and Lessee, and any mortgagee, as their interests may appear. Loss adjustment shall require the written consent of Lessor. Lessee shall maintain in effect throughout the term of this Lease, at Lessee's sole expense, personal injury liability insurance covering the Demised Premises and any appurtenances and any sidewalks fronting thereon in the amount of One Million Dollars (\$1,000,000.00) for injury to or death of one or more persons in one occurrence, and property damage liability insurance in the amount of One Million Dollars (\$1,000,000.00) or such amount as required in any financing arrangement or mortgage, which ever is greater. Such insurance shall specifically insure Lessee against all liability assumed by it

hereunder, as well as all liability imposed by law, and shall create the same liability on the part of the insurer as though separate policies had been written for Lessor and Lessee, with loss payable the Lessor and/or Lessee as their interest may appear. Any loss adjustment shall require the written consent of Lessor. Lessee shall maintain and keep in force, if Lessor so requests, and at Lessee's sole expense, adequate business interruption insurance, which insurance shall pay solely to Lessor, loss of rental income coverage in an amount sufficient to pay Lessor all amounts due Lessor from Lessee under this Lease in the event of an insured business interruption.

As long as their insurers so permit, Lessor and Lessee hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties.

Lessee acknowledges that Lessor may not carry any insurance on the Demised Premises or on Lessor's or Lessee's furniture, furnishings, fixtures, equipment, and/or improvements and agrees that Lessor shall not be obligated to repair any damage thereto or replace the same, and Lessee acknowledges Lessee's obligation to restore the Demised Premises in the event of an insured casualty loss to the Demised Premises.

Any and all policies of insurance to be kept and maintained in force shall be obtained from good and solvent insurance companies. All of the policies of insurance referred to herein shall be written in form satisfactory to Lessor and by insurance companies satisfactory to Lessor. Lessee shall pay all of the premiums therefor and deliver such policies, or certificates thereof, to Lessor, and in the event of the failure of Lessee, either to effect such insurance in the names herein called for or to pay the premiums therefor or to deliver such policies, or certificates thereof, to Lessor, Lessor shall be entitled, but shall have no obligation, to effect such insurance and pay the premiums therefor, which premiums shall be repayable to Lessor with the next installment of rent. Failure to repay the same shall carry with it the same consequence as failure to pay any installment of rent. Each insurer mentioned herein shall agree, by endorsement on the policy or policies issued by it, or by independent instrument to Lessor, that it will give to Lessor 15 days written notice before the policy or policies in question shall be altered or canceled. The cost of insurance required to be carried by Lessee in this section shall be deemed to be additional rental hereunder.

## **INDEMNIFICATION**

16. Lessor shall not be liable to Lessee for any loss, damage or injury to Lessee, Lessee's employees, Lessee's agents, Lessee's clients or residents or tenants or customers or visitors or Lessee's property resulting from fire, theft, or any accident or casualty, all claims for any such damage or injury being hereby expressly waived by Lessee. Lessor shall not be liable for any loss, damage or injury to Lessee, Lessee's agents, servants, employees, clients, residents, tenants, customers, or visitors, or to Lessee's property by reason of damage or injury caused by or from water or water leakage, bursting or leaking

of boilers, or water, sewer or air conditioning equipment, or plumbing fixtures, or from electric wires, equipment or fixtures, or from gas odors, or any cause whatsoever. All claims for any such damage or injury being hereby expressly waived by Lessee.

Lessor shall not be liable for any damage of any nature whatsoever, to, or any theft of, automobiles or other vehicles or the contents thereof, while in or about the Demised Premises.

Lessee shall hold Lessor harmless against and, at Lessee's expense, shall defend, settle and satisfy any demand, cause of action or claim of any kind whatsoever made against Lessor on account of any event, injury or damage to any person or property arising out of Lessee's use, occupancy, or improvement of the Demised Premises or due to any act of negligence of Lessee, Lessee's subtenants, or any one under its control or employ or in its care. Lessee shall at once report in writing to Lessor any defective condition in the Demised Premises known to Lessee. Lessor shall not be liable for, and Lessee, hereby for himself, his family, his invitees, licenses and permits, releases, discharges and acquits Lessor of any and all claims for loss, damage or injury of any nature whatsoever to person (s) or property resulting in any way from, or in any fashion arising out of, or connected with, the negligent acts of Lessor, its agents, servants or otherwise. In case Lessor shall be made a party to any litigation commenced by or against Lessee, then Lessee shall protect and hold Lessor harmless, and shall pay all costs, expenses and attorney's fees incurred or paid by Lessor in connection with such litigation. Lessor shall not be liable to Lessee for any damage arising from any act or neglect of any other lessee, or any person coming on or about the Demised Premises.

#### **CONDEMNATION; DESTRUCTION OF DEMISED PREMISES**

17. If the Demised Premises shall be the subject of condemnation by any governmental or other authority lawfully exercising the right of eminent domain, or if the Demised Premises are purchased in lieu of condemnation, Lessor shall have the option to terminate this Lease, and if terminated by Lessor the rent shall be prorated through the date of termination.

Lessor and Lessee agree that any award of proceeds resulting from a condemnation or sale in lieu thereof of the whole or part of the Demised Premises, shall belong solely to the Lessor, and Lessee hereby waives any and all claim thereto. Lessee shall not be entitled to receive any part of any condemnation award or proceeds from a sale in lieu thereof.

If the Demised Premises are totally destroyed or so substantially damaged as to be untenable, by storm, fire, earthquake or any other casualty, rent shall not abate. If the Demised Premises are damaged but not rendered wholly untenable, as a result of any casualty hereinbefore described, rent shall not as a result of any casualty hereinbefore described, rent shall not abate. In the vent of either partial or total damage to the Demised Premises, Lessee shall restore the Demised Premises, which restoration shall be pursued with due diligence, and this Lease shall remain in force and effect.

Lessor shall not be liable for any business losses of Lessee, or for any losses to Lessee's personal property or fixtures caused by any casualty. No damages shall accrue to Lessee for delays which may occur in restoration of the Demised Premises. No claim for compensation shall be made or become due Lessee by reason of loss, damage, inconvenience or annoyance arising from the necessity of repairing any portion of the Demised Premises, however such necessity may occur.

#### **LESSEE'S WAIVER**

18. In the event Lessor, during the term hereof, shall be required by the County, the order or decree of any court, or any governmental authority to repair, alter, remove, reconstruct, or improve any part of the Demised Premises, then such repairing, alteration, removal, reconstruction, or improvement shall be made by Lessee and Lessee hereby waives all claims for damages or abatement for rent because of such repairing, alteration, removal, reconstruction or improvement.

#### **SALES TAX; ADDITIONAL RENTAL FOR UTILITIES, SERVICES, ETC.**

19. Lessee, in addition to the rentals hereinbefore agreed to be paid, will pay an additional rental each month in a sum equal to the tax or increase in tax imposed upon the privilege of renting space leased hereunder, or upon the amount of rentals collected therefor.

In addition to all other amounts which lessee is hereunder required to pay, Lessee shall fully and promptly pay for all water, gas, heat, light, power, sewer charges, telephone service and all other services and utilities of every kind furnished to the Demised Premises or to Lessee, as the case may be, by the entity furnishing such services or utilities, together with any taxes thereon, throughout the term hereof, and all other costs and expenses of every kind whatsoever of or in connection with the use, operation, and maintenance of the Demised Premises and all activities conducted thereon. Lessor shall have no responsibility of any kind for any thereof.

#### **LESSOR'S RIGHTS TO ENTER**

20. Lessor and its agents, shall have the right to enter and inspect the Demised Premises at all times to examine same. Lessor's exercise of its right to entry as contained in this section shall be without any liability therefor to Lessee, and Lessee shall not be entitled to any abatement of rent.

Lessor shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Demised Premises, excluding Lessee's vaults, safes and files, and Lessor shall have the right to use and all means which Lessor may deem proper to open said doors in an emergency, in order to obtain entry to the Demised Premises without liability to Lessee. Any entry to the Demised Premises obtained by Lessor by any

of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Lessee from the Demised Premises or any portion thereof.

#### **SUBORDINATION OF LEASE; AGREEMENT TO ATTORN; ESTOPPEL CERTIFICATES**

21. Lessee covenants that this Lease is and, at all times, shall be subject and subordinate to all present or future ground leases and to the lien of any mortgage or mortgages now existing, or which Lessor or any present or future owner of the Demised Premises shall make, covering all or any portion of the Demised Premises and to any and all advances made or to be made under or upon said mortgage or mortgagees, and to the interest thereon. No further instrument or subordination shall be required to confirm the subordinate nature of this Lease. Lessee appoints Lessor or Lessor's successor (as) -in-interest as Lessee's attorney-in-fact to execute any and all documents necessary to effectuate all the provisions hereof. Lessee covenants that on request it will execute any such attornment agreement as Lessor may require or request. Lessee shall at any time and from time to time upon not less than ten (10) days' prior written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing, (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified, is in full force and effect), and the date to which the rental and other charges are paid in advance, if any, and (b) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of the Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the Demised Premises. Lessor may deliver any funds deposited hereunder by Lessee to the assignee of Lessor's interest in the property, in the event such interest is transferred. Thereupon, Lessor shall be discharged from any further liability with respect to such funds, and Lessee shall look to the new lessor for the return of such funds. In the event of the sale or transfer of Lessor's interest in the property, Lessor shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this lease arising out of any act, occurrence or omission occurring after the consummation of such sale or transfer; and the purchaser or grantee shall be deemed, without any further agreement between the parties or their successors in interest, or between the parties and any such grantee or purchaser, to have assumed and agreed to carry out any and all of the covenants and obligations of the Lessor under this lease. Neither the shareholders, officers, directors, partners, or employees of Lessor shall be personally liable for the performance of Lessor's obligations under this lease, and Lessee shall not seek any damages against any of the members of the aforementioned class of individuals. Either party may at any time, demand execution of a separate lease identifying specific properties covered by this lease (which shall be for the term and on the terms set forth herein) or require the execution of a written list identifying the properties covered by this lease and/or the commencement date, or require execution of a list identifying the loans and/or property covered by this master lease.

## **LESSOR'S NON-WAIVER BY INACTION**

22. It is mutually covenanted and agreed by and between the parties hereto that the failure of Lessor to insist upon the strict performance of any of the conditions, covenants, terms or provisions of this lease, or to exercise any option herein conferred, will not be considered or construed as a waiver or relinquishment for the future of any such conditions, covenants, terms, provisions or options, but the same shall continue and remain in full force and effect. No constant use or practice of the parties at variance with the terms hereof shall constitute a waiver of Lessor's right to demand exact compliance with the terms hereof. A waiver of any term expressed herein shall not be implied by any neglect of Lessor to declare a forfeiture on account of the violation of such term if such violation be continued or repeated subsequently and any express waiver shall not affect any term other than the one specified in such waiver and that one only for the time and in the manner specifically stated. The receipt of any sum paid by Lessee to Lessor after breach of any condition, covenant, term, or provision herein contained, shall not be deemed a waiver of such breach, but shall be taken, considered and construed as payment for use and occupation, and not as rent, unless such breach be expressly waived in writing by Lessor.

## **INTEGRATION**

23. This Lease and the documents referred to herein, and any addendum hereto, contain the entire agreement of the parties.

## **MODIFICATION**

24. It is mutually agreed that this lease cannot be changed, altered, modified or extended, except in writing signed by both Lessor's and Lessee's duly authorized agents.

## **JUDICIAL PROCEEDINGS; ATTORNEY'S FEES; WAIVER OF TRIAL BY JURY;**

25. In any and all judicial proceedings arising from this lease, Lessee waives any and all rights to a jury trial.

If any action at law or in equity shall be brought to recover any rent under this lease, or for or on account of any breach of, or to enforce or interpret any of the covenants, terms, or conditions of this lease, or for the recovery of possession of the Demised Premises, Lessor shall be entitled to recover as part of its costs, reasonable attorney's fees, including appellate fees, the amount of which shall be fixed by the court and shall be made a part of any judgment or decree rendered. Any litigation expenses, including attorney's fees, interest, costs and damages, shall constitute additional rent hereunder and shall be due from Lessee to Lessor on the first day of the first month following the incurring of each respective expense.

## **SEVERABILITY**

26. If any clause or clauses, paragraph or paragraphs, section or sections, of this Lease are held to be invalid by a court of competent jurisdiction, in a proceeding in which Lessee is a party, Lessor shall have the unqualified right to enforce this lease without said invalidated parts, or alternatively, to cancel the Lease in its entirety. If canceled, Lessee shall have thirty (30) days from receipt of written notice of the cancellation to vacate the Demised Premises, and rent shall be paid through the date on which Lessee vacates the Demised Premises.

## **MISCELLANEOUS**

27. "Lessor" as used in this Lease shall include first party, its assigns and successors entitled to the Demised Premises; "Lessee" if this Lease shall be validly assigned, or sublet shall include its successors and assigns, also Lessee's heirs and representatives. "Lessor" and "Lessee" include male and female, singular and plural, corporation, partnership, joint venture, or individual. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural unless the context otherwise requires.

This Lease does not grant any rights, including but not limited to rights to light, air, or view over property adjacent, adjoining, or continuous to the land on which the Demised Premises are located.

Lessor shall in no event be deemed to be a partner or engaged in a joint venture with, or an associate of Lessee in the conduct of its business, nor shall Lessor be liable for any debts incurred by Lessee in the conduct of its business. Nothing in this Lease shall be deemed or construed to confer upon Lessor any interest in the business of Lessee. The relationship of the parties during the term of this Lease shall at all times be that of Lessor and Lessee.

If Lessee is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with a duly adopted resolution of the Board of Directors of said corporation, and this Lease is binding upon said corporation in accordance with its terms.

Time is of the essence of this Lease and of all of its provisions in which performance is a factor.

Neither Lessor nor Lessee shall record this Lease or a short form memorandum hereof without the prior written consent of the other party.

This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

Lessor reserves the right to grant easements over, under and through all portions of the Demised Premises for such purposes as Lessor deems appropriate, without any liability to Lessee for compensation or abatement of rent, so long as such easements do not materially interfere with Lessee's use of the Demised Premises.

Lessee represents and warrants to the Lessor that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease. Lessee agrees to indemnify the Lessor against, and hold it harmless from any such connection therewith, in the event the foregoing warranty is found to be incorrect.

#### **DEFAULT; LESSEE'S REMEDIES**

28. Notwithstanding anything to the contrary contained in this Lease, Lessor shall not be deemed to be in default of this Lease, unless Lessor fails to perform any of the obligations required of Lessor within thirty (30) days after written notice by Lessee to Lessor and to the holder of the mortgage covering the Demised Premises, whose name and address shall have theretofore been furnished to Lessee, in writing, specifying wherein Lessor has failed to perform such obligations; provided, that if the nature of Lessor's obligation is such that more than (30) days are required for performance, then Lessor shall not be in default if thereafter diligently prosecutes the same to completion. In no event shall Lessee have the right to terminate this Lease as a result of Lessor's default, and Lessee's remedies shall be limited to damages and/or an injunction.

#### **LANDLORD'S LIEN**

29. Lessee pledges and assigns to Lessor all furniture, fixtures, goods and chattels of Lessee, which shall or may be brought or put on the Demised Premises as security for the payment of the rent herein reserved, and Lessee agrees that the said lien may be enforced by distress, foreclosure or otherwise at the election of Lessor.

#### **PERSONAL PROPERTY TAXES**

30. Lessee shall pay, or cause to be paid, before delinquency, any and all taxes levied or assessed and which become payable during the term hereof upon all Lessee's and Lessor's leasehold improvements, equipment, furniture, fixtures and personal property located in the Demised Premises.

#### **MODIFICATION OF LEASE BY MORTGAGEE**

31. If any mortgages of Lessor or lender to Lessor (such as, but not limited to, bond financing), shall request any reasonable modifications to this Lease, Lessee agrees that within five (5) days after request by the mortgagee, Lessee shall execute, acknowledge

and deliver to the mortgagee an agreement, in form and substance satisfactory to the mortgagee, evidencing such modifications. Any modification is defined to be "reasonable" so long as any modification does not increase Lessee's obligations under this Lease or materially adversely affect (a) the leasehold interest created by this Lease, or (b) Lessee's use and occupancy of the Demised Premises. If Lessee refuses to execute such modification within five (5) days after request, Lessor shall have the right to cancel this Lease.

#### **FIRST OPTION TO RENEW**

32. Provided that Lessee is not in default under the terms and provisions of this Lease at the time of exercise of the first option to renew, Lessee shall have the option to take a renewal Lease of the Demised Premises for a further term of five (5) years from and after the expiration of the initial term herein granted under and subject to the same covenants, provisions and agreements as are herein contained. During each year of the first renewal term of this Lease, the Base Monthly Rental shall be in accordance with the terms hereof or at fair rental value at the option of the Lessor.

This first option to renew must be exercised by Lessee not less than one hundred eighty (180) days prior to the expiration date of the initial term of this Lease. Delivery of written notice to Lessor shall constitute sufficient notice of the exercised of the option.

#### **SECOND OPTION TO RENEW**

33. Provided that Lessee is not in default under the terms and provisions of this Lease at the time of exercise of the second option to renew, Lessee shall have the option to take a second renewal Lease of the Demised Premises for a further term of Five (5) years from and after the expiration of the initial renewal term herein granted under and subject to the same covenants, provisions and agreements as are herein contained. During each year of the second renewal term of this Lease, the Base Monthly Rental shall be in accordance with the terms hereof at fair rental value at the option of the Lessor.

This second option to renew must be exercised by Lessee not less than one hundred eighty (180) days prior to the expiration date of the initial renewal term of this lease. Delivery of written notice to Lessor shall constitute sufficient notice of the exercises of the option.

#### **LESSOR'S OPTION TO CANCEL**

34. Notwithstanding anything to the contrary contained in this Lease, Lessor shall have the sole and exclusive option, which it may exercise or decline to exercise in its sole discretion, to cancel and terminate this Lease and each and every Lessee's rights hereunder in the event of a sale of all or any portion of the Demised Premises. This option shall exist for each and every sale which may occur during the term (including all renewal terms, if any) hereof. In order to exercise this option reserved to advance written

notice of the effective date of such termination, provided Lessee shall have vacated the Demised Premises, and shall have quit and surrendered same unto the Lessor, a sum equal to the depreciated book value of all of Lessee's leasehold improvements located on the Demised Premises at the time of termination which shall be computed in accordance with generally accepted accounting principles applied in a consistent manner which book value shall be computed as of the effective date of termination.


IN ADDITION, this Lease shall be modified and or terminated retroactively and be null and void and of no effect if the execution of the Lease is determined to be contrary to the terms of any mortgages, liens, or agreements of any kind to the extent of partial invalidity, the Lease shall be retroactively modified to do justice and accomplish the purposes hereof--with particular attention to the ensuring reimbursement for use of the property by tenant and ensuring that the agreement is not inconsistent with the terms of any mortgages or notes or related instruments.

IN WITNESS WHEREOF, the parties have hereunto set their hands and affixed their seals as dated above.

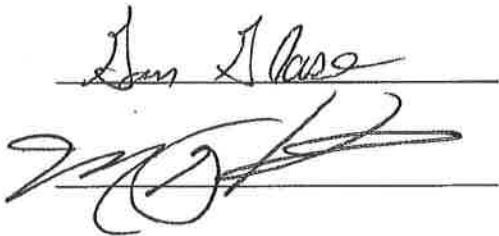
WITNESS:

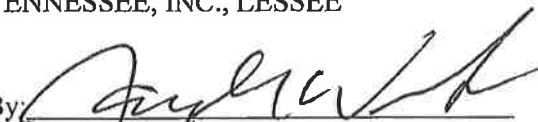


REGIONAL PROPERTIES, LESSOR

By:   
Richard McCarthy, President

SUNRISE COMMUNITY OF  
TENNESSEE, INC., LESSEE



By:   
James G. Weeks, Secretary/Treasurer

Attachment A

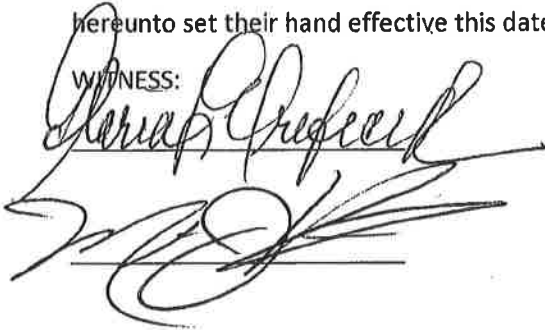
Net Lease Agreement between  
Regional Properties, Inc. and Sunrise Community of Tennessee, Inc.

640 Old Shiloh Road, Greeneville, TN 37745


680 Quaker Knob Road, Chuckey, TN 37641

The updated ATTACHMENT dated November 10, 2015 is hereby accepted by Regional Properties, Inc., Lessor, and Sunrise Community of Tennessee, Inc., Lessee, and in witness whereof, the parties have hereunto set their hand effective this date and to carry forward to the effective date of termination.

WITNESS:

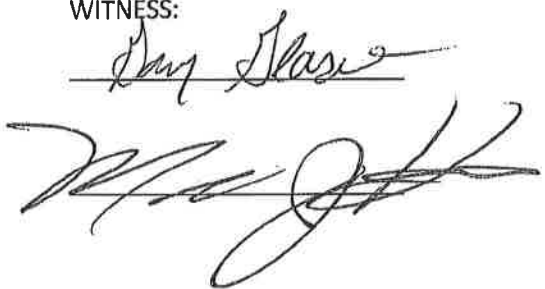


REGIONAL PROPERTIES, INC., LESSOR

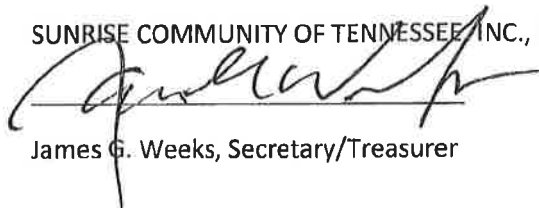


Richard H. McCarthy, President

WITNESS:



SUNRISE COMMUNITY OF TENNESSEE, INC., LESSEE



James G. Weeks, Secretary/Treasurer

**A.13. – TennCare MCOs/BHOs Operating in  
Applicants Proposed Service Area**

**All TennCare MCOs/BHOs  
Operating in Applicant's Proposed Service Area**

- AMERIGROUP  
Community Care  
Three Lakeview Place  
22 Century Blvd.,  
Suite 310 Nashville, TN 37214  
1-800- 454-3730
- BlueCare  
1 Cameron Hill Circle,  
Suite 0002  
Chattanooga, TN 37402-0002  
Fax 800-357-0453  
1-800-468-9736
- UnitedHealthcare Community Plan  
2035 Lakeside Centre Way  
Suite 200  
Knoxville, TN 37922  
FAX: 865-293-0573  
1-800-690-1606
- TennCare Select  
1 Cameron Hill Circle,  
Suite 0002  
Chattanooga, TN 37402-0002  
FAX: 800- 218-3190

## Celeste Putnam

---

**Subject:** FW: CON information needed

**Attachments:** image001.gif

From: Terry Jordan-Henley <[Terry.Jordan-Henley@tn.gov](mailto:Terry.Jordan-Henley@tn.gov)<<mailto:Terry.Jordan-Henley@tn.gov>>>

Date: September 8, 2015 at 9:22:17 AM EDT

To: Ann Williams <[AWilliams@sunrisegroup.org](mailto:AWilliams@sunrisegroup.org)<<mailto:AWilliams@sunrisegroup.org>>>

Cc: John Craven <[John.Craven@tn.gov](mailto:John.Craven@tn.gov)<<mailto:John.Craven@tn.gov>>>

Subject: RE: CON information needed

Ann, regarding your questions below:

#1: As of 8/21/15, a total of 10 legal representatives for persons supported at GVDC had selected HCBS services; the legal representatives for the remaining 75 persons had selected ICF/IID services.

#2: A total of 36 persons of the 85 supported at GVDC as of 8/21/15 have chosen, via their legal representatives, to remain in the Greene County area.

#3: As of 8/31/15, all ICF/IID beds in the Greene County area associated with two providers, Comcare and the East Tennessee Homes, are full. There is not sufficient existing capacity in the area to develop services for those persons remaining at GVDC by 6/30/16, per the DIDD Exit Plan, without development of new ICF/IID beds.

#4: At present, D&S has agreed to develop three 4-person homes (12 beds) in the Greene County area; Open Arms has agreed to develop three 4-person homes (12 beds) in the Greene County area; and Sunrise has agreed to develop two 4-person homes (8 beds) in the Greene County area. This represents services for 32 of the 36 persons currently supported at GVDC.

#5: General demographic information for persons supported at Greene Valley Developmental Center:

Age range – 54 persons aged 23-60 years; 31 persons aged 61+ years I'm still working on getting other demographic info together, but should have that for you later in the week.

I hope this helps. Thanks, tjh

[TN-Dept-of-Intel-&-Dev-Disability-ColorEmail]

Terry Jordan-Henley | Deputy Regional Director East Tennessee Regional Office Department of Intellectual and Developmental Disabilities  
520 W. Summit Hill Dr, Suite 201  
Knoxville, TN 37902

Ofc. 865-594-9302, Cell 865-313-1264  
[terry.jordan-henley@tn.gov](mailto:terry.jordan-henley@tn.gov)<<mailto:terry.jordan-henley@tn.gov>>  
[tn.gov/didd](http://tn.gov/didd)<<http://tn.gov/didd>>  
[@didd\\_tn](http://www.twitter.com/didd_tn)<[http://www.twitter.com/didd\\_tn](http://www.twitter.com/didd_tn)>

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From: Ann Williams [<mailto:AWilliams@sunrisegroup.org>]  
Sent: Wednesday, August 26, 2015 4:47 PM  
To: Terry Jordan-Henley  
Cc: Ann Williams  
Subject: CON information needed

Terry,

Thank you for talking with me regarding the information needed for our CON. As we discussed, the documentation needs to address the following:

1. How many individuals/families chose ICF over HCBS Waiver Services through the Freedom of Choice process?
2. How many individuals/families chose for to remain in the Greene County area?
3. Are all current Greene County ICF beds at East TN Homes and Comcare currently full? (we need to demonstrate that there is not capacity to accommodate GVDC residents)
4. What other ICF homes are planned to come on line in Greene County to accommodate GVDC residents?
5. What are the general demographics and/or special needs of individuals exiting GVDC? Age range? Male verses female? Etc....general information about the composition of people currently living at the institution.

Thank you so much for your assistance Terry! Keeping my fingers crossed that we can find matches for the folks in question on our list so we can fill up three homes!!

Ann

Ann Williams

Executive Director  
Sunrise Community of Tennessee, Inc.  
1705 West Main Street  
Greeneville, TN 37743  
(423) 636-1333 ext 115  
(423) 636-1466 - fax  
(423) 329-3973 - mobile

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STATE OF TENNESSEE  
Department of Intellectual and Developmental Disabilities

Citizens Plaza, 10<sup>th</sup> Floor  
400 Deaderick Street  
NASHVILLE, TN 37243-0675

September 15, 2015

Melanie Hill  
Executive Director  
Health Services and Development Agency  
500 Deaderick Street  
Nashville, TN 37243

**RE: Application for Certification of Need submitted by Sunrise Community of Tennessee, Inc.**

Dear Director Hill:

The Department of Intellectual and Developmental Disabilities (Department) strongly supports the application for a Certificate of Need (CON) on behalf of Sunrise Community of Tennessee, Inc. Based upon the Department's knowledge of Sunrise Community of Tennessee, Inc., it is the Department's belief that they meet the three (3) criteria necessary for approval which are namely, need, economic feasibility and contribution to the orderly development of health care.

The need for these facilities has resulted from the national trend away from caring for persons with intellectual disabilities in large, congregate institutional settings to more integrated, smaller homes in the community. In 2006, Tennessee, believing this to be best practice, passed legislation which created one hundred sixty (160) new ICF/IID beds to be used solely for persons transitioning from state developmental centers. At this time there remain eighty-four (84) of the one hundred sixty (160) beds available for development. The need for the development of these remaining eighty-four (84) beds comes as a direct result of the announced closure of the last large state owned developmental center, Greene Valley Developmental Center (GVDC), which is anticipated to close on June 30, 2016. The closure of GVDC is part of an Exit Plan in a nineteen (19) year old lawsuit against the state of Tennessee by the Department of Justice (*People First of Tennessee et. al. v. The Clover Bottom Developmental Center et. al.* No. 3:95-1227) regarding unconstitutional conditions at four (4) developmental centers in Tennessee. One of these developmental centers has already closed, another is set to close in the fall of 2015, the third is a small specialized developmental center for persons who are court ordered for competency evaluation and training, and GVDC. The last obligation in the Exit Plan, which once complete will result in a full dismissal of the law suit, is the closure of GVDC and the transition of all residents into smaller homes in the community. Therefore, the Department supports this application for a CON to facilitate the closure of and transition of the residents of GVDC.

Melanie Hill, Executive Director

**RE: Application for Certification of Need submitted by Sunrise Community of Tennessee, Inc.**

September 15, 2015

Page 2 of 2

Transitioning the residents from GVDC, a large institution, to four (4) person ICF/IIDs in the community is more economically feasible for the State, which pays for these services. The census at GVDC at the time of the announcement of closure was 101, but at its peak, GVDC supported 1100 residents. Operating a large developmental center is inefficient and does not produce economy of scale due to the large overhead associated with utilities and maintenance costs on older inefficient buildings that operate on a boiler system. The private operation of smaller four (4) person ICF/IIDs is much more efficient and economically feasible for the state.

For many of the same reasons stated above in relation to the criteria of "need", the approval of this CON and development of four person ICF/IID beds meets the criteria of contribution to the orderly development of health care. As a result of the Exit Plan in the nineteen (19) years old lawsuit described above, these homes and beds are needed to transition the remaining residences from GVDC and provide for the health and safety needs of these vulnerable persons. These beds will provide the same level of care that these persons are receiving at GVDC, namely the ICF/IID level of care. This application has been submitted by a current provider of services in Tennessee for persons with intellectual disabilities, therefore they have a proven track record of providing these services within both state and federal regulations which includes the availability and accessibility of human resources, prior contractual relationships with both the Department and TennCare and an understanding of the both the intellectual disability population and intellectual disability system in Tennessee.

Based on the above stated reasons the department strongly supports Sunrise Community of Tennessee, Inc., application for a CON to build four (4) person ICF/IIDs in East Tennessee in order to effectuate the safe transition of residents of GVDC and comply with the Exit Plan leading to the conclusion of the nineteen (19) years old *CBDC et. al* lawsuit. If you need any further information or have any questions please contact me.

Sincerely,



Debra K. Payne  
Commissioner

DKP:ts

**B, Project Description-I**

**Executive Summary, Supporting Documents**

**9/8/2015 Email from Terry Jordan-Henley**

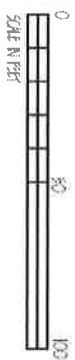
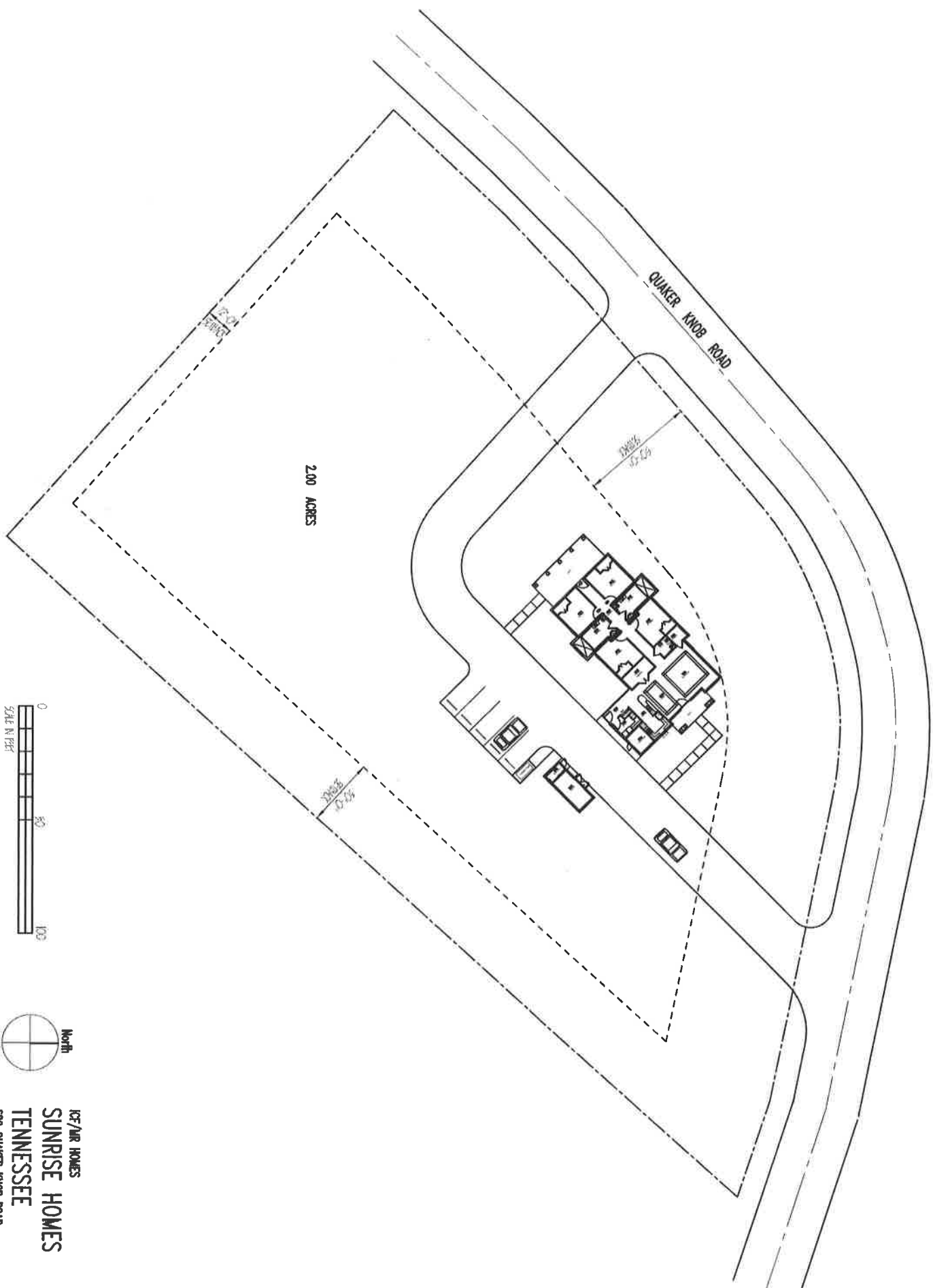
**Department of Intellectual and Developmental Disabilities**

**9/15/2015 Letter from Debra K. Payne**

**Department of Intellectual and Developmental Disabilities**

## **B, Project Description-III.(A)**

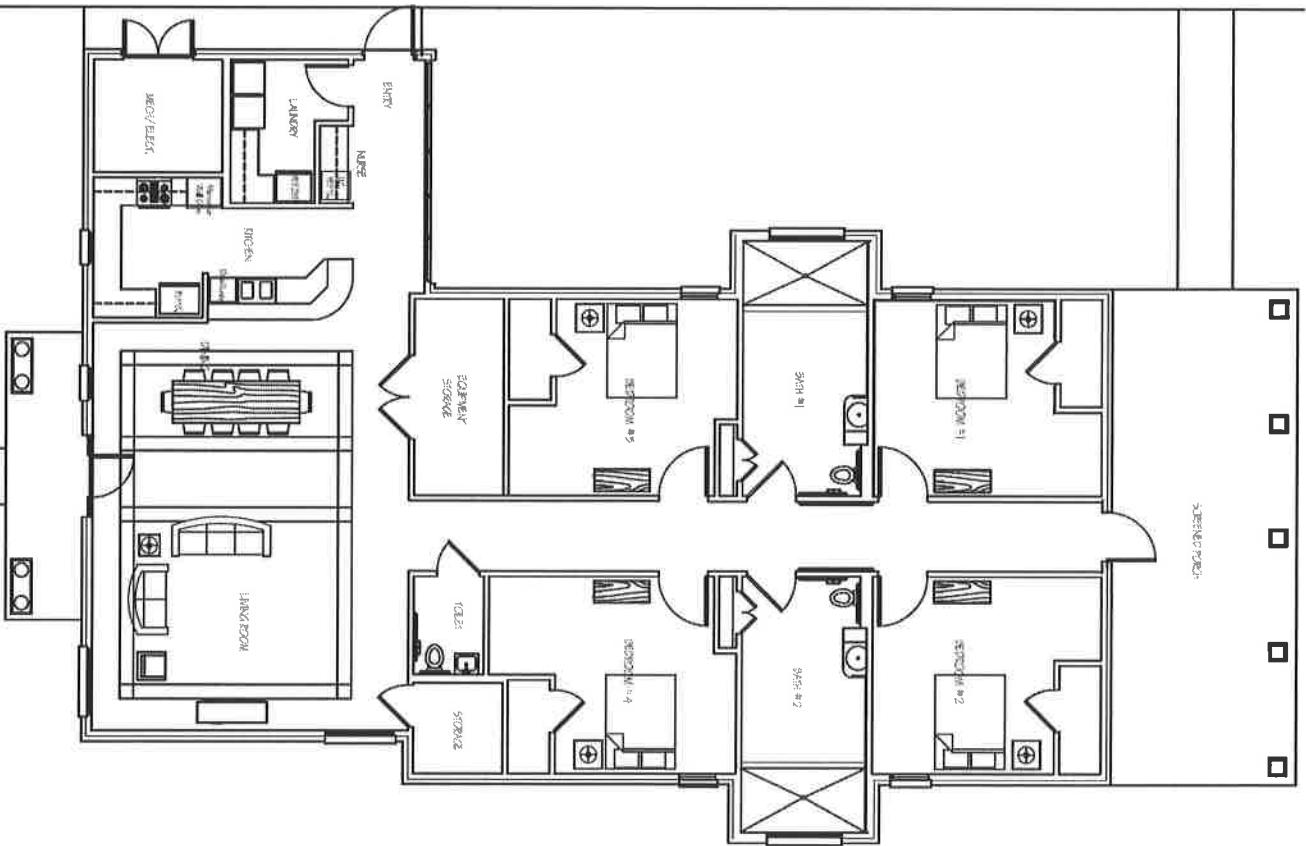
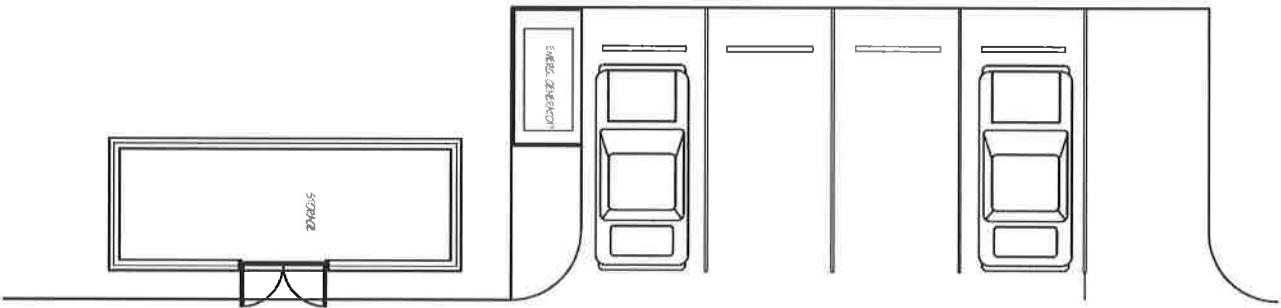
### **Plot Plan of the Site**



ICE/AR HOMES  
SUNRISE HOMES  
TENNESSEE  
690 QUAKER KNOB ROAD  
CHUCKEY, TENNESSEE

## **B, Project Description-IV**

### **Floor Plan**



SQUARE FOOTAGE BE-CAP	
AREA	
BASE AREA	1,568 sq. ft.
SCREENED PORCH	25 sq. ft.
SCREENED PORCH	21 sq. ft.
SCREENED PORCH	410 sq. ft.
SCREENED PORCH	192 sq. ft.
SCREENED PORCH	18 sq. ft.

# FLOOR PLAN

**C, Need-1**

**How Project Relates to**

**5 Principles for Achieving Better Health**

**Services Being Provided by Applicant**

## **This Project's Relationship to Tennessee's 5 Principles for Achieving Better Health**

Applicant's previously submitted (and accepted as complete) application for a Certificate of Need for the construction of an ICF/IID at 640 Old Shiloh Road, Greeneville, Tennessee (CN1510-043) elicited the following questions (with Applicant's responses, below) as question #7 of the first request for supplemental information on that application.

Discuss how the proposed project will relate to the 5 Principles for Achieving Better Health found in the State Health Plan. Each Principle is listed below with example questions to help the applicant in its thinking.

1. The purpose of the State Health Plan is to improve the health of the people of Tennessee.
  - a. How will this proposal protect, promote, and improve the health of Tennesseans over time?

**Response:** This proposal is designed to protect, promote, and improve the health of a sub-population of Tennesseans. This sub-population consists of persons with Intellectual and Developmental Disabilities with complicating medical conditions. This group of people requires very specialized care which will be provided through the Intermediate Care Facility for Persons with Intellectual and Developmental Disabilities. These programs are required by federal regulation to provide comprehensive health care to persons residing in the homes.

- b. What health outcomes will be impacted and how will the applicant measure improvement in health outcomes?

**Response:** Because this project will serve only four persons at one time, the health outcomes will be measured on an individual basis. Each person served will have a comprehensive health care assessment and medical plan. The health care needs will be specified in the medical plan and the health care status will be monitored and recorded on a continual basis. Over time, the overall attention to health care outcomes will be recorded and analyzed for the population served.

- c. How does the applicant intend to act upon available data to measure its contribution to improving health outcomes?

**Response:** Because the number of persons to be served is very small the health care outcomes of this population will have very little impact on the overall available data of the general population of Tennessee. Sunrise will collect data for the population served and analyze trends in health status and improved health status through its Quality Improvement process.

2. People in Tennessee should have access to health care and the conditions to achieve optimal health.
  - a. How will this proposal improve access to health care? You may want to consider geographic, insurance, use of technology, and disparity issues (including income disparity), among others.

**Response:** Access to health care can be very difficult for persons with Intellectual and Developmental Disabilities, especially when they have co-morbid medical complications. Most primary care physicians are not trained to deal with this population and do not have the time available to provide the extra care required during office visits. The population is often low income with Medicaid as their insurance which could also limit the number of available practitioners. Families may have to travel across the state to be able to see a specialist. Dental care is also a challenge with most dentist not having the ability to address the populations' needs. Also, many persons with these conditions require technological supports such as feeding equipment and other physical health care supports to ensure that nutritional and health care needs are met. The health care disparity faced by this population can be very difficult compounded by a lack of individual ability to seek care, scarcity of qualified health care professionals and lack of necessary equipment in many environments. ICF/IIDs are specifically designed to provide for the needs of this population through services provided in the facility and coordinated with community medical care. The program must have a physician on-call 24 hours a day, with licensed medical staff on-site throughout the day. These staffing patterns and skilled staff are able to ensure access to health care.

- b. How will this proposal improve information provided to patients and referring physicians?

**Response:** The health care status of the individuals living in the home will be monitored through screenings and comprehensive assessments of all health care domains including hearing, vision and dental. Health care workers and other staff will document behavioral responses and bodily functions on a regular basis. In situations where the individual may require health care outside of the home, the staff will be able to provide detailed information on the person's functional level, day to day health care status and changes in the health care status that may impact the need for outside medical care. This type of comprehensive information is also provided to family members to help them be informed about the family member's health care needs.

- c. How does the applicant work to improve health literacy among its patient population, including communications between patients and providers?

**Response:** The applicant works closely with the individual and provides them with information about their care. In circumstances where the individual may not be competent to decide their medical care, the provider works with family members to ensure that there is a medical health care surrogate to help make important health care decisions for the patient and to advise the health care providers on individual preferences.

3. Health resources in Tennessee, including health care, should be developed to address the health of people in Tennessee while encouraging economic efficiencies.
  - a. How will this proposal lower the cost of health care?

**Response:** Persons with Intellectual and Developmental Disabilities, especially those with medical complications, often have high medical costs. The medical costs are exacerbated by poor nutrition and inability to address daily needs, lack of early detection of conditions due to failure to provide preventive screening or screening on schedules that are inadequate for the population, failure to identify emerging health care issues early to be able to prevent the need for acute care, and over use of the hospital facilities to address health care due to the lack of adequate community care. The ICF/IID home provides for the necessary medical screenings and evaluations and works closely with the individual to detect changes in health care status to avert unnecessary need for acute care or hospitalization. Additionally, the program will ensure that the individuals are offered immunizations to support good health. These practices can significantly reduce unnecessary medical costs for this population.

- b. How will this proposal encourage economic efficiencies?

**Response:** Providing care for four persons in an ICF/IID facility promotes economic efficiencies through the use of skilled staff able to work with all four persons in one environment. Also, because the staff are highly trained in working with this population, the services are directly targeted to their needs ensuring that the right service is provided at the right time for the appropriate duration. This avoids unnecessary services and reduces waste associated with failure to identify the key services necessary and providing less optimal or ineffective services.

- c. What information will be made available to the community that will encourage a competitive market for health care services?

**Response:** Persons have a choice of ICF/IID homes. Sunrise has information to the consumer that explains the services and the operation of the homes. This information is available to the population in need of this service. Persons also have the choice to move to another home if they are not satisfied with the home that they are living in. These abilities support a fair and competitive market.

4. People in Tennessee should have confidence that the quality of health care is continually monitored and standards are adhered to by providers.
  - a. How will this proposal help health care providers adhere to professional standards?

**Response:** ICF/IID homes are heavily regulated. Providers must adhere to the federal Conditions of Participation which are monitored by the federal agencies as well as must meet the licensure standards of the state. The Conditions of

Participation establish expectations for the medical practice that exceeds the requirements of the practitioner's professional guidelines and directly protects the special needs of the population.

- b. How will this proposal encourage continued improvement in the quality of care provided by the health and health care workforce?

**Response:** Sunrise will hire persons from the local community and will use health care providers from the community as well. The company will ensure that all the health care staff are fully trained in addressing the special needs of the population. Additionally, the company will ensure that any community practitioners such as therapists or physicians are fully knowledgeable about serving this population. Because the medical practitioners will have other patients in the community, the exposure to the population at the home will expand the health care workforce's ability to work with persons with similar needs in the community. As stated above, the performance of the health care workers is monitored very closely in an ICF/IID program. Sunrise also routinely works with community programs to help increase the awareness and knowledge about the health care needs of persons with Intellectual and Developmental Disabilities.

- 5. The state should support the development, recruitment, and retention of a sufficient and quality health workforce.

- a. How will this proposal provide employment opportunities for the health and health care workforce?

**Response:** The program will employ nurses and will contract with therapists and a physician who must be available 24 hours a day. These individuals will be employed or contracted with from the local area.

- b. How will this proposal complement the existing Service Area workforce?

**Response:** As stated above, the medical practitioners will be hired from the local area and will likely work with other patients in the area. Through continual education and training in treating this population, the workforce will have expanded knowledge about how to effectively treat persons with Intellectual and Developmental Disabilities.

### Description of Services Offered by Sunrise:

**Sunrise provides the following services to individuals as authorized by approved service requests:**

Community-Based Day Services  
Employment-Based Day Services  
Family Model Services  
Follow-Along Services  
Hospital Attendant Services  
Individual Transportation Services  
In-Home Day Services  
Medical Residential Services  
Nursing Services  
Personal Assistance Services  
Residential Habilitation Services (Middle)  
Respite Services  
Semi-Independent Living  
Supported Living Services

**Community-Based Day Services:** Community-Based Day Services enable the service recipient to participate in meaningful and productive activities in integrated settings with other community members who may or may not have disabilities. Community-Based Day Services may be provided in a service recipient's home if there is a health, behavioral or other medical reason or if the individual has chosen retirement as indicated in the service definition. Supports provided may facilitate job exploration activities, volunteer work, educational activities and other meaningful, measurable community activities that promote developing relationships and maintaining ongoing relationships with friends and family members.

**Employment-Based Day Services:** Employment-Based Day Services facilitate access and support activities such as competitive employment, self-employment, enclaves and work crews for individuals wishing to work in their community.

**Family Model Services:** Family Model Residential Support is a type of residential service having individualized services and supports that enable a service recipient to acquire, retain, or improve skills necessary to reside successfully in a family environment in the home of trained caregivers other than the family of origin. The service includes direct assistance as needed with activities of daily living such as bathing, dressing, personal hygiene, eating, meal preparation excluding the cost of food, household chores and other activities essential to the health and safety of the service recipient (budget management, interpersonal and social skills, etc). It may also include the medication administration as permitted under Tennessee's Nurse Practice Act.

**Follow-Along Services:** Follow-Along Services provide ongoing support and continuous or periodic job skill training services throughout the term of employment to enable an individual to maintain employment. The term also includes, but is not limited to, other support services provided at or away from the work site such as transportation, personal care services and counseling to family members.

**Hospital Attendant Services:** Hospital Attendant Services enable Organization staff to be present with the individual during periods of in-patient hospitalization in order to provide for the continuity of supports and services to the extent feasible.

**Individual Transportation Services:** Individual Transportation Services provide for the non-emergency transport of an individual to and from approved activities specified in his/her Individual Support Plan (ISP).

**In-Home Day Services:** In-Home Day Services are provided in the person's place of residence for a limited duration (up to a maximum of 90 days) when there are exceptional circumstances that require the provision of these services in order to meet the person's specifically identified medical or behavioral needs. This may include psychiatric and/or behavioral destabilization and medical concerns/necessity. In-Home Day Services may be provided on a long-term or ongoing basis (more than 90 days) when warranted and supported by documentation.

**Medical Residential Services:** Medical Residential Services are provided when all service recipients in the home require direct skilled nursing services and habilitative services and supports to enable them to acquire, retain or improve skills necessary to reside in a community-based setting. Medical Residential Services are ordered by the service recipient's physician, physician assistant or nurse practitioner, who document the medical necessity of the service and specify the nature and frequency of the nursing services.

**Nursing Services:** Nursing Services are skilled nursing services that fall within the scope of Tennessee's Nurse Practice Act and that are directly provided to the individual in accordance with his/her ISP. Nursing Services are ordered by the individual's physician, physician assistant or nurse practitioner, who shall document the medical necessity of the services and specify the nature of frequency of the nursing services. Nursing Services shall be provided face to face with the individual by a Licensed Practical Nurse (LPN) under the supervision of a Registered Nurse (RN). Therapeutic goals and objectives shall be required for individuals receiving Nursing Services.

**Personal Assistance Services:** Personal Assistance Services involve provision of direct assistance with activities of daily living (e.g., bathing, dressing, personal hygiene, eating, meal preparation excluding cost of food); household chores essential to the health and safety of the individual, budget management, attending appointments, and interpersonal and social skills building to enable the individual to live in a home in the community. Personal Assistance Services are provided in accordance with therapeutic goals and objectives as specified in the plan of care. These services may be provided in the home or community; however, they may not be provided in school settings and may not replace personal assistance services required to be covered by schools or services available through the Medicaid State Plan/TennCare program.

**Residential Habilitation Services:** Residential Habilitation is a type of residential service providing services and supports that enable an individual to acquire, retain or improve skills necessary to reside in a community-based setting including direct assistance with activities of daily living (e.g., bathing, dressing, personal hygiene, eating, meal preparation, household chores) essential to the health and safety of the individual; budget management,

attending appointments, and interpersonal and social skills building to enable the individual to live in a home in the community. It also may include medication administration as permitted under Tennessee's Nurse Practice Act. The provider of Residential Habilitation services provides personal funds management as specified in the Individual Support Plan (ISP). This service is currently provided in the Clarksville location only.

**Respite Services:** Respite Services are those services provided to an individual when unpaid caregivers are absent or incapacitated due to death, hospitalization, illness or injury or when unpaid caregivers need relief from routine care giving responsibilities.

**Semi-Independent Living:** Semi-Independent Living Services are offered to allow flexibility for the person to change to a residential, semi-independent living arrangement. This service is offered when individuals are independent with basic activities of daily living (fundamental self-care tasks such as bathing, dressing, chewing and swallowing food, and assistance with toileting) and yet still requires assistance with one or more of the following: Instrumental activities of daily living (training and assistance with managing money, preparing meals, shopping, health management, and maintenance), interpersonal and/or social skills building, and other activities that are needed to improve the person's capacity to live in the community. Individuals receiving this service have a level of independent and personal safety which requires only intermittent or limited support to live independently in their own home and do not require support staff to live in their home. They are also capable of self-administering their medication with minimal oversight and assistance. Access to emergency supports will be provided by the agency as needed by residential staff.

**Supported Living Services:** Supported Living is a type of residential service providing individualized services and supports that enable an individual to acquire, retain, or improve skills necessary to reside in a home that is under the control and responsibility of the individual. Services include direct assistance as needed with activities of daily living (e.g., bathing, dressing, personal hygiene, eating, and meal preparation excluding the cost of food); household chores essential to the health and safety of the individual; budget management; attending appointments and interpersonal and social skills building to enable the individual to live in a home in the community. It may also include medication administration as permitted under Tennessee's Nurse Practice Act.

### **Compilation of the Years Each of the Above Services Has Been Provided**

Of the fourteen (14) services detailed above, all have been provided since 1996 with the exception of the following:

- Residential Habilitation began in Middle TN in 1999. East TN does not provide Residential Habilitation.
- Personal Assistance began April 4, 2004 in Middle TN.
- Respite began in April 1, 2005.
- In Home Services began in 2013.

The following services are listed in Applicant's Provider Agreement but have not yet been provided the service:

- Family Model Services
- Follow-Along Services
- Semi-Independent Living

**C, Need-1.a.A.2**

**ICF/IID Occupancy Statistics**

**10/28/2015 Email from Terry Jordan-Henley, DIDD**

## Celeste Putnam

---

**Subject:** FW: Info needed for CON  
**Attachments:** image001.gif; ATT00001.htm; ICF-IID Utilization Greene County 2012-13-14 REDACTED.xlsx; ATT00002.htm

From: Terry Jordan-Henley <[Terry.Jordan-Henley@tn.gov](mailto:Terry.Jordan-Henley@tn.gov)>  
Date: October 28, 2015 at 10:06:43 AM CDT  
To: Ann Williams <[AWilliams@sunrisegroup.org](mailto:AWilliams@sunrisegroup.org)>  
Cc: John Craven <[John.Craven@tn.gov](mailto:John.Craven@tn.gov)>  
Subject: RE: Info needed for CON

Ann,

Attached you'll find occupancy data for all existing licensed private & public ICF/IID sites in Greene County (excluding GVDC, as its closure is driving the need for expansion). The specific agency physical locations have been redacted, though that information can be provided to the reviewing entity upon request.

Let me know if you need anything else for your CON, and I'll see what we can do to obtain it. Thanks, tjh

**C, Need-3**  
**Service Area Map**

## TENNESSEE COUNTY MAP



**C, Need-4.A**

**Demographics of Population to Be Served**

**9/2/2015 Letter from Debra K. Payne**

**Department of Intellectual and Developmental Disabilities**



STATE OF TENNESSEE  
Department of Intellectual and Developmental Disabilities  
Citizens Plaza, 10<sup>th</sup> Floor  
400 Deaderick Street  
NASHVILLE, TN 37243-0675

Ann Williams, Executive Director  
Sunrise Community of Tennessee  
1705 West Main Street  
Greeneville, TN 37912

September 2, 2015

Dear Ms. Williams:

As you are aware, as part of a Federal Court Exit Plan, the state agreed to close Greene Valley Developmental Center by June 30, 2016. You are receiving this letter because Sunrise Community of Tennessee committed to serve the following persons transitioning from GVDC: DC, RF, ZP, REW, RDW, KC, BM, and RH. In order for these persons to transition on or before the above date, there are required steps your agency must take to develop the necessary ICF/IID placement opportunities. This letter will outline the steps to be taken and the dates by which each step must be completed.

- The first step in the process is for your agency to secure the location(s) on which to develop or build the ICF/IID home(s). The location **MUST** be secured prior to any other steps being taken, as the location of each ICF/IID home must be included in your application for a Certificate of Need (CON) for that home.
  - **Required Date of Completion: No later than November 1, 2015**
- Once the location for an ICF/IID home is secured, you must then commence your CON application process by the filing of a letter of intent with the Tennessee Health Services and Development Agency (HSDA) office between the 1<sup>st</sup> through the 10<sup>th</sup> of any month.
  - **Required Date of Completion: No later than December 1-10, 2015**
- The information contained in the Letter of Intent must be published in a newspaper of general circulation in the community in which the project will be located during the same ten day period.
  - **Required Date of Completion: No later than December 1-10, 2015**
- The CON application and non-refundable filing fee are due in the HSDA office within five days of publication.
  - **Required Date of Completion: No later than December 5-15, 2015**

Please note the dates above represent the date by which each step **must** be completed. If these actions can be completed earlier, we encourage you to move forward as expeditiously as possible. Filing CONs in November (or even October) would help to minimize the review burden on HSDA and position you for a timely completion of your home in advance of June 30, 2016.

Please remember once your agency is ready to submit your CON application to contact the department for a recommendation letter to include in your application packet (please call Theresa Sloan at (615) 253-6811 or reach her by email at [Theresa.C.Sloan@tn.gov](mailto:Theresa.C.Sloan@tn.gov)). It is our collective goal to ensure the homes are available and ready for persons to transition from GVDC on or before June 30, 2016. Please note, a Letter of Intent and an application for a CON must be filed for each ICF/IID home.

Once your application and filing fee are received, your application will be reviewed by HSDA staff for completeness during which time additional questions may be asked. Upon being deemed complete, the application will enter the next review cycle. The application review process is outlined in detail on the Agency website at <http://tn.gov/hsda/topic/how-to-apply-for-con>. This process typically takes 60 days; however, the department is working with HSDA to shorten this process. This is why it is very important you contact the department for a recommendation letter to include with your application.

Once you receive approval of your application for a CON, modification or construction of the home should commence as soon as possible. Taking into account the deadlines above as well as the dates and approval timeframes for the application process, the department requests modification or construction of these homes commence on or before January 31, 2016. Once the homes are completed, there are other critical processes which need to occur, including licensing of the new homes and ICF/IID certification. The department expects your agency to obtain all necessary licenses and certifications, and for all persons to have transitioned into your agency's new ICF/IID home(s) on or before June 30, 2016.

The department appreciates all the hard work your agency is undertaking to ensure the above deadlines are met, the ICF/IID homes are completed in time to meet the deadlines set forth in the Exit Plan, and more importantly, to ensure the safe transition of the persons residing at GVDC to their new homes. Should you feel adherence to any of the deadlines assigned for the critical steps outlined above are unattainable, please make us aware of those realities immediately so we can secure alternative transition solutions where needed. This is an exciting time for all of us as we work together on the closure of the last large congregate developmental center in Tennessee. If you should have any questions or need any assistance throughout this process please call Theresa Sloan at (615) 253-6811 or reach her by email at [Theresa.C.Sloan@tn.gov](mailto:Theresa.C.Sloan@tn.gov).

Sincerely,



Debra K. Payne  
Commissioner

c: Jordan Allen, DIDD Deputy Commissioner of Program Operations  
Theresa Sloan, DIDD Assistant Commissioner and Legal Counsel  
John Craven, DIDD Regional Director – East  
Jonathan Lakey, Attorney, Pietrangelo Cook, PLC

**C, Need-4.B**

**Special Needs of the Service Area Population**

**9/18/2015 Email from Terry Jordan-Henley**

**Department of Intellectual and Developmental Disabilities**

## Celeste Putnam

---

**Subject:** FW: CON information needed

**Importance:** High

**From:** Terry Jordan-Henley [mailto:[Terry.Jordan-Henley@tn.gov](mailto:Terry.Jordan-Henley@tn.gov)]

**Sent:** Friday, September 18, 2015 9:40 AM

**To:** Ann Williams <[AWilliams@sunrisegroup.org](mailto:AWilliams@sunrisegroup.org)>

**Cc:** John Craven <[John.Craven@tn.gov](mailto:John.Craven@tn.gov)>

**Subject:** RE: CON information needed

Information re #5, demographics:

Age range – 54 persons aged 23-60 years (64%); 31 persons aged 61+ years (36%)

Gender – 48 are female (56%); 37 are male (44%)

Nutritional status – 37 require enteral feedings (44%); 17 others have structured dining plans (20%)

Mobility status – 65 have mobility impairments (76%), and 42 of them are non-ambulatory (49%). 56 use a customized seating system (66%). 51 use other alternative positioning equipment (60%).

Visual status – 28 are blind (33%).

Psychiatric/behavioral status – 28 are prescribed psychotropic medications (33%); 13 have a Behavior Support Plan or Behavior Support Guidelines (15%).

Ann, I hope this covers your needs for the CON application. Thanks, tjh



**Terry Jordan-Henley** | Deputy Regional Director  
East Tennessee Regional Office  
Department of Intellectual and Developmental Disabilities  
520 W. Summit Hill Dr, Suite 201  
Knoxville, TN 37902  
Ofc. 865-594-9302, Cell 865-313-1264  
[terry.jordan-henley@tn.gov](mailto:terry.jordan-henley@tn.gov)  
[@didd](http://tn.gov/didd) [tn](http://tn.gov/didd)

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**From:** Terry Jordan-Henley  
**Sent:** Tuesday, September 08, 2015 9:22 AM  
**To:** 'Ann Williams'  
**Cc:** John Craven  
**Subject:** RE: CON information needed

Ann, regarding your questions below:

- #1: As of 8/21/15, a total of 10 legal representatives for persons supported at GVDC had selected HCBS services; the legal representatives for the remaining 75 persons had selected ICF/IID services.
- #2: A total of 36 persons of the 85 supported at GVDC as of 8/21/15 have chosen, via their legal representatives, to remain in the Greene County area.
- #3: As of 8/31/15, all ICF/IID beds in the Greene County area associated with two providers, Comcare and the East Tennessee Homes, are full. There is not sufficient existing capacity in the area to develop services for those persons remaining at GVDC by 6/30/16, per the DIDD Exit Plan, without development of new ICF/IID beds.
- #4: At present, D&S has agreed to develop three 4-person homes (12 beds) in the Greene County area; Open Arms has agreed to develop three 4-person homes (12 beds) in the Greene County area; and Sunrise has agreed to develop two 4-person homes (8 beds) in the Greene County area. This represents services for 32 of the 36 persons currently supported at GVDC.
- #5: General demographic information for persons supported at Greene Valley Developmental Center:  
Age range – 54 persons aged 23-60 years; 31 persons aged 61+ years  
I'm still working on getting other demographic info together, but should have that for you later in the week.

I hope this helps. Thanks, tjh



**Terry Jordan-Henley** | Deputy Regional Director  
East Tennessee Regional Office  
Department of Intellectual and Developmental Disabilities  
520 W. Summit Hill Dr, Suite 201  
Knoxville, TN 37902  
Ofc. 865-594-9302, Cell 865-313-1264  
[terry.jordan-henley@tn.gov](mailto:terry.jordan-henley@tn.gov)

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---

**From:** Ann Williams [<mailto:AWilliams@sunrisegroup.org>]

**Sent:** Wednesday, August 26, 2015 4:47 PM

**To:** Terry Jordan-Henley

**Cc:** Ann Williams

**Subject:** CON information needed

Terry,

Thank you for talking with me regarding the information needed for our CON. As we discussed, the documentation needs to address the following:

1. How many individuals/families chose ICF over HCBS Waiver Services through the Freedom of Choice process?
2. How many individuals/families chose for to remain in the Greene County area?
3. Are all current Greene County ICF beds at East TN Homes and Comcare currently full? (we need to demonstrate that there is not capacity to accommodate GVDC residents)
4. What other ICF homes are planned to come on line in Greene County to accommodate GVDC residents?
5. What are the general demographics and/or special needs of individuals exiting GVDC? Age range? Male verses female? Etc....general information about the composition of people currently living at the institution.

Thank you so much for your assistance Terry! Keeping my fingers crossed that we can find matches for the folks in question on our list so we can fill up three homes!!

Ann

Ann Williams  
Executive Director  
Sunrise Community of Tennessee, Inc.  
1705 West Main Street  
Greeneville, TN 37743  
(423) 636-1333 ext 115  
(423) 636-1466 - fax  
(423) 329-3973 - mobile

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**C, Need-6**

**Projected Utilization**

**9/2/2015 Letter from Debra K. Payne**

**Department of Intellectual and Developmental Disabilities**



STATE OF TENNESSEE  
Department of Intellectual and Developmental Disabilities  
Citizens Plaza, 10<sup>th</sup> Floor  
400 Deaderick Street  
NASHVILLE, TN 37243-0675

Ann Williams, Executive Director  
Sunrise Community of Tennessee  
1705 West Main Street  
Greeneville, TN 37912

September 2, 2015

Dear Ms. Williams:

As you are aware, as part of a Federal Court Exit Plan, the state agreed to close Greene Valley Developmental Center by June 30, 2016. You are receiving this letter because Sunrise Community of Tennessee committed to serve the following persons transitioning from GVDC: DC, RF, ZP, REW, RDW, KC, BM, and RH. In order for these persons to transition on or before the above date, there are required steps your agency must take to develop the necessary ICF/IID placement opportunities. This letter will outline the steps to be taken and the dates by which each step must be completed.

- The first step in the process is for your agency to secure the location(s) on which to develop or build the ICF/IID home(s). The location **MUST** be secured prior to any other steps being taken, as the location of each ICF/IID home must be included in your application for a Certificate of Need (CON) for that home.
  - **Required Date of Completion: No later than November 1, 2015**
- Once the location for an ICF/IID home is secured, you must then commence your CON application process by the filing of a letter of intent with the Tennessee Health Services and Development Agency (HSDA) office between the 1<sup>st</sup> through the 10<sup>th</sup> of any month.
  - **Required Date of Completion: No later than December 1-10, 2015**
- The information contained in the Letter of Intent must be published in a newspaper of general circulation in the community in which the project will be located during the same ten day period.
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  - **Required Date of Completion: No later than December 5-15, 2015**

Please note the dates above represent the date by which each step **must** be completed. If these actions can be completed earlier, we encourage you to move forward as expeditiously as possible. Filing CONs in November (or even October) would help to minimize the review burden on HSDA and position you for a timely completion of your home in advance of June 30, 2016.

Please remember once your agency is ready to submit your CON application to contact the department for a recommendation letter to include in your application packet (please call Theresa Sloan at (615) 253-6811 or reach her by email at [Theresa.C.Sloan@tn.gov](mailto:Theresa.C.Sloan@tn.gov)). It is our collective goal to ensure the homes are available and ready for persons to transition from GVDC on or before June 30, 2016. Please note, a Letter of Intent and an application for a CON must be filed for each ICF/IID home.

Once your application and filing fee are received, your application will be reviewed by HSDA staff for completeness during which time additional questions may be asked. Upon being deemed complete, the application will enter the next review cycle. The application review process is outlined in detail on the Agency website at <http://tn.gov/hsda/topic/how-to-apply-for-con>. This process typically takes 60 days; however, the department is working with HSDA to shorten this process. This is why it is very important you contact the department for a recommendation letter to include with your application.

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The department appreciates all the hard work your agency is undertaking to ensure the above deadlines are met, the ICF/IID homes are completed in time to meet the deadlines set forth in the Exit Plan, and more importantly, to ensure the safe transition of the persons residing at GVDC to their new homes. Should you feel adherence to any of the deadlines assigned for the critical steps outlined above are unattainable, please make us aware of those realities immediately so we can secure alternative transition solutions where needed. This is an exciting time for all of us as we work together on the closure of the last large congregate developmental center in Tennessee. If you should have any questions or need any assistance throughout this process please call Theresa Sloan at (615) 253-6811 or reach her by email at [Theresa.C.Sloan@tn.gov](mailto:Theresa.C.Sloan@tn.gov).

Sincerely,



Debra K. Payne  
Commissioner

c: Jordan Allen, DIDD Deputy Commissioner of Program Operations  
Theresa Sloan, DIDD Assistant Commissioner and Legal Counsel  
John Craven, DIDD Regional Director – East  
Jonathan Lakey, Attorney, Pietrangelo Cook, PLC

## **C, Economic Feasibility-1**

### **Documentation Supporting Estimated Project Costs**



CLARK/DIXON  
ARCHITECTS

2035 MADISON AVENUE / MEMPHIS, TN 38104 / 901/272-9250 / clarkdixonarchitects.com

November 09, 2015

Mr. Michael Hart  
V.P. of Customer Service & Operations  
Sunrise Community, Inc.  
9040 Sunset Drive  
Miami, FL. 33173

Re: Construction Costs  
680 Quaker Knob Rd.  
ICF/IID Home

Dear. Michael,

Clark/Dixon Architects has prepared the design drawings and construction cost estimate for the ICF/IID Home that the Sunrise Community proposes to build on Quaker Knob Road in Chuckey, Tennessee. The proposed construction costs for this home is based upon Clark/Dixon Architects 10 years of experience in designing and constructing over forty (40) four-bed ICF/MR Homes for the State of Tennessee, Department of Intellectual and Developmental Disabilities, across the State. Eleven (11) of these homes were built in the Greeneville, TN., area over the past five (5) years. The proposed construction costs for the Sunrise home is comparable to the construction costs encountered for similar ICF/MR Homes we designed and built in the Greeneville area.

Please notify me if you have any questions or require additional information.

Sincerely,

R. Larry Clark, RA, NCARB  
Partner

**C, Economic Feasibility-2**  
**Funding Documentation**



March 24, 2015

Lesley Leech  
James G. Weeks, PhD  
Log Cabin Enterprises, Inc.  
9040 Sunset Drive  
Miami, FL 33173

Gentlemen:

The letter outlines 1<sup>st</sup> Manatee Bank's (Bank or lender) proposed terms and conditions for a USDA Rural Development Community Facility guaranteed loan (CF Loan or loan) for Log Cabin Enterprises, Inc. The CF Loan is contingent on a \$10,000,000 Community Facility (CF) Direct Loan being approved by the USDA so there are at least \$16,250,000 of total funds available. The Direct Loan terms should have a 30-year term with mortgage style principal and interest payments to fully amortize the Direct Loan over the 30 year term. USDA CF regulations require that construction is complete before USDA CF Direct and guaranteed loans can be closed and funded.

1. **Borrower:** Log Cabin Enterprises, Inc.
2. **Principal Amount of Loan:** \$6,250,000. The actual loan amount must not exceed the lesser of the use of funds that is allocated to the CF Loan or the appraisal value of the collateral that is allocated to the CF Loan after it is discounted adequately for this type of loan to reflect the actual value of the collateral.
3. **Loan Term:** The term of the loan will be 30 years. Loan payments will be monthly principal and interest payments that amortize the loan in full mortgage style over the term of the loan. The term of the loan cannot exceed the collateral's useful life.
4. **Interest Rate:** The interest rate on the loan will be the WSJ Prime Rate + 1%, with rate to adjust quarterly with any announced change of Prime Rate.
5. **Bank Commitment Fee:** \$31,250 (1/2% of committed amount). Half of the fee to be paid and non-refundable (unless USDA direct loan and USDA CF Loan guarantee are not obligated by the USDA. Then fee will be refunded) at acceptance. The balance of the fee to be paid at time of closing of the proposed loan (once the proposed construction is complete and all terms and conditions are satisfied to obtain the USDA \$10,000,000 direct loan and the Bank obtains the USDA guarantee on its loan as described below.)
6. **Prepayment:** The principal balance of the loan may be prepaid in whole or in part, provided that any such prepayment shall be accompanied by a prepayment penalty of five percent of the outstanding principal balance prepaid during the first year; four percent of the outstanding principal balance prepaid during the second year; three percent of the outstanding principal balance prepaid during the third year; two percent of the outstanding principal balance prepaid during the fourth year; and one percent of the outstanding principal balance prepaid during the fifth year. No prepayment penalty is due on the loan thereafter.

12215 US 301 North  
Parrish, FL 34219  
Fax 941.776.9191

P.O. Box 181  
Parrish, FL 34219

5100 Cortez Road West  
Bradenton, FL 34210  
Fax 941.794.2572

7. **Loan Purpose:** USDA CF Loan and direct loan proceeds that total \$16,250,000 will be utilized to replace a construction loan (anticipated construction time of 12 months) to build new buildings, improvements and renovations, to purchase new equipment and furnishings and to refinance an existing FmHA loan (FmHA loan may be required to be paid off first from the construction loan proceeds as the construction lender might require this note satisfied to perfect their security interest). The Bank and USDA will work with the construction lender to reduce costs through an assumption and modification of construction lender's loan documentation.
8. **Collateral / Security.** The USDA guaranteed and direct loans will be secured in parity by a first mortgage and security interest on the borrower's property, improvements, equipment, furniture and furnishings and other assets. Parity is a lien position whereby loans share a security interest of equal priority in collateral and in the event of default, each loan will be affected on a pro rata basis. All taxes and assessments are to be current at loan closing. Borrower must have title to the collateral and licenses required to operate the business and generate the revenues shown in the USDA application.
9. **Contributions:** Prior to closing of the CF Loan and Direct USDA Loan, the Sunrise Group will be required to contribute to the Borrower cash equity and assets as outlined in the USDA loan application package. This is to include (a) an escrowed cash reserve held in an account at the Bank that is equal to the combined estimated annual payments for both the Direct and CF Loan, (b) the existing property, equipment, furniture fixtures and improvements known as Sunrise Main assets (more fully described in the Loan Application package), (c) all accounts receivables, notes receivables, inventory, and chattel paper (additional assets as described in Loan Application), and (d) licensure and certifications related and required to the operation of the Sunrise Main facility.
10. **Guarantee:** A condition precedent to the loan and its closing is the receipt by the lender from the USDA of a Conditional Commitment for the Guarantee of 90% of the loan that is acceptable to the lender. Borrower agrees to execute all documents, furnish all information, and satisfy all conditions necessary to comply with the rules, regulations, and requirements of USDA applicable to this loan and the guaranty thereof, as well as any and all requirements of the companion USDA Direct Loan. Borrower agrees to cooperate with the lender in modifying any of the loan documents to meet requirements of USDA. The borrower will be responsible for paying the USDA guarantee fee due at closing, which is currently .9% of the total loan amount.
11. **USDA Guaranteed Loan Closing:** The USDA guaranteed loan will close and disburse when the new building, improvements and renovations are completed and USDA issues the lender its guarantee. The USDA guaranteed and direct loans must close at the same time.
12. **Appraisal Requirement:** A "when complete" appraisal that is acceptable to lender and USDA and completed in accordance with USPAP and FIRREA indicating the fair market value of the collateral, excluding any value attributed to business valuation. Lender will be responsible for ensuring that appraisal values are discounted adequately for this type of loan to reflect the actual value of the collateral. A qualified appraiser must determine the appraised market value in accordance with RD Instructions, prior to USDA guaranteed and direct loan closing and issuance of the Loan Note Guarantee. Collateral must have documented value sufficient to protect the interest of the lender and USDA. The cost is the responsibility of the borrower. The appraiser will need a copy of the plans and specifications, the executed construction agreement, a

copy of required permits, a budget of costs, and other documents associated with the collateral being appraised. The appraisal must be ordered by the lender and be available for lender and USDA review prior to the closing of the USDA guaranteed and direct loans.

13. **Environmental Report.** An environmental report may be required, which is acceptable in form, content and conclusions to the lender and USDA. The cost is the responsibility of the borrower.

14. **Licenses.** A condition for closing is that the borrower must have the required licenses to own, operate and receive Medicaid revenue.

15. **Insurance.** Borrower must obtain and maintain all required insurance at its own expense. Required insurance shall include, but not be limited to, the following:

- Hazard insurance naming the lender and USDA as beneficiary must be maintained in an amount at least equal to the insurable replacement value of the collateral. Hazard insurance includes fire, windstorm, lightning, hail, explosion, riot, civil commotion, aircraft, vehicle, marine, smoke and property damage.
- If the collateral property is located in an area designated as an area for special hazards under the National Flood Insurance Act of 1968, Flood insurance naming the lender and USDA as beneficiary must be maintained in an amount at least equal to the lesser of the insurable replacement value of the collateral, or the maximum available coverage available under the Flood insurance program.
- General liability insurance must be maintained in an amount acceptable to lender and USDA.
- Worker's Compensation must be carried in accordance with State law.
- Borrower must maintain errors and omissions insurance, all insurance required by the Medicaid program and all insurance requires by state laws and regulations.

16. **Financial Terms and Conditions.**

a. **Accounting Terms.** All of borrower's financial statements must be prepared in accordance with generally accepted accounting principles (GAAP). Accounting terms must be those generally accepted in accordance with GAAP in the United States.

b. **Financial Information.**

- i. Financial statements not over ninety days old for the borrower are required for loan closing.
- ii. Annual independent certified public accountant prepared audited financial statements for the borrower must be provided within ninety days of the end of each fiscal year.
- iii. Income tax returns for the borrower must be provided within fifteen days of filing.

- iv. Additional borrower financial statements as may be requested must be provided in a timely manner. All financial statements, financial information and certifications must be in an acceptable form.
- a. Current Ratio. The borrower must have a positive working capital position throughout the term of the loan on the required financial statements.
- b. Debt Service Coverage. The borrower must have demonstrative, positive EBITDA (earnings before interest, taxes, depreciation, and amortization) debt service coverage throughout the term of the loan on the required financial statements.
- c. Equity. The borrower must have positive balance sheet equity throughout the term of the loan on the required financial statements.
- d. Dividend payments are not allowed, but Contributions or Distributions are permitted as long as all the Borrower's debts are paid to current status, all loan terms, conditions, covenants, ratios and USDA regulations are being met, use of funds (contributions or distributions) would not result in balance sheet equity falling below loan covenant requirements, and use of funds would not reduce balance sheet equity below the amounts reflected on the immediately preceding fiscal year balance sheet.
- e. The borrower must refrain from co-signing or otherwise becoming liable for obligations or liabilities of others.
- f. Borrower will not invest in additional fixed-asset purchases that would result in borrower not being in compliance with the loan covenants and ratios required herein. Borrower will not lease, sell, transfer, or otherwise encumber fixed assets. Disposition of fixed assets serving as collateral for the USDA loans must have the concurrence of lender and USDA.
- g. Borrower shall not enter into any merger or consolidation or sell the business without prior written concurrence of the lender.
- h. Outside investment and loans/advances to related parties or affiliates require prior written consent. Loans from related parties or affiliates must be subordinated to the guaranteed loan. No payments are to be made on these debts unless the loan is current and in good standing.
- i. The borrower by accepting the USDA Conditional Commitment, certifies that it is not delinquent on any Federal debt.
- j. The borrower must certify that there has been no adverse change during the period when the loan package was submitted to lender and USDA and the loan closing.
- k. The borrower must maintain a deposit relationship with the lender adequate to make debit payments for the loan.

17. **Loan Closing Documents and Loan Closing Attorney:** The lender's loan closing attorney will prepare the following loan closing documents for closing. The loan closing attorney will use standard documents that comply with USDA Instructions and the Conditional Commitment. The loan documents include loan settlement statement, loan commitment, USDA commitment, RD Form 449-14, lender's counsel opinion letter, loan agreement, note, mortgage and security agreement, UCC's, assignment of rents/leases/contracts, title insurance commitment and policy, certified survey, certificates of required insurances, corporate resolution to borrow and pledge assets, affidavit concerning governing organizational documents, affidavit of no lien/ownership, affidavit regarding financial condition, affidavit regarding disbursement of loan proceeds, anti-coercion statement, agreement waiving right to jury trial, agreement to cooperate post-closing, certificate of compliance with applicable environmental laws and regulations, certificate of compliance with applicable government laws and regulations, environmental indemnity agreement and photo identification. Certain of the documents could be reflected as modifications to prior construction loan documentation to allow for the assumption of the construction loan and decrease certain loan closing costs to include or related to, Title Insurance, Document Stamp Taxes and Intangible Taxes.

The lender's loan closing attorney must furnish lender with a written opinion at closing (borrower is not required to have an attorney or a written opinion from an attorney). The opinion should state that the loan documents conforms with the lender and USDA commitments and that the loan documents are duly and fully enforceable in accordance with their respective terms and comply with all requirements and will not violate any law, rule or regulation of the state.

Prior to beginning the loan closing process, the lender's loan closing attorney will provide the borrower with an estimated cost for preparing the loan closing documents and related items and the borrower must pay into escrow with said attorney funds to cover said cost. Any unused escrowed funds will be refunded to borrower.

The loan must be closed without expense to the lender, it being understood that expenses must be paid by borrower, including, but not limited to the cost of the appraisal, environment report, survey, title insurance, recording of the collateral liens and lender's attorney.

18. **Other Conditions:**

- A title policy in favor of the lender in a form acceptable to the lender and USDA. Policy must not contain any exceptions other than those approved by lender and USDA
- Certified survey of the property in a form acceptable to lender and USDA
- No sale or transfer of the collateral without consent of lender and USDA.
- No additional encumbrances on the collateral without consent of lender and USDA.
- Borrower must pay the financial advisory and mortgage/investment banking fee.
- There is no material adverse change in the borrower's financial condition.

- The borrower must furnish, on or before the due date, proof of payment of all property taxes, ad valorem taxes and insurance premiums. The lender may, at its sole option during the term of the loan, elect to require monthly escrow in advance for such taxes and insurance premiums.
- There are no unwritten oral agreements between the parties.
- Your signature indicates that you have read and understand these terms and conditions and that you are authorized by the borrower to approve them.

The foregoing is intended to provide an outline of the lender's loan terms and conditions rather than a complete statement of the terms, conditions and documents, which would be required in connection with the loan. The final loan agreement could contain additional terms and conditions.

The understandings contained in this letter is not assignable by the borrower. This letter is for the sole benefit of the lender and borrower. It is not for the benefit of any other third party (with the exception of the USDA). This letter is addressed to the borrower only and is not to be relied upon in any manner by other persons or entities (with the exception of the USDA). The lender may participate or sale a portion of this loan to other funding sources or joint venture with other lenders. Capital Resource is the lender's joint venture compensated affiliate. Upon closing of the loan, the lender's closing documents will set forth the entire agreement and understanding of the parties with respect to this transaction. Any prior agreements will be terminated and no oral or other changes will be effective, unless evidenced in writing and signed by the party against which enforcement of the change is sought. The lender must receive an accepted copy of these terms and conditions no later than the date specified below or it will be presumed that the borrower has no interest in the commitment and lender shall have no further obligation under this commitment.

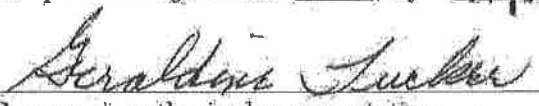
Please acknowledge your acceptance of the above referenced terms and conditions by signing below and returning a signed copy of this letter, along with a non-refundable check for \$15,625 (1/2 of the commitment fee) no later than the close of business five days subsequent to the date of this letter.

If you have questions, please feel free to call me. We look forward to our continuing relationship.

Sincerely,

  
Charles Conoley  
Vice President  
1<sup>st</sup> Manatee Bank

Accepted and agreed this 7<sup>th</sup> day of April, 2015.

  
Borrower's authorized representative

**Capital Resource**  
510 Druid Road East, Suite C  
Clearwater, FL 33756

Memo To: Michael J. Hart  
Sunrise Community and affiliates

CC: Jim Weeks  
Sunrise Community and affiliates

From: George Smith  
Capital Resource

Subject: USDA guaranteed loan to finance your proposed 4-bed ICF/IID facility in Chuckey, TN

Date: November 11, 2015

It is our understanding that you would like for us to put together another USDA guaranteed loan to finance your planned 4-bed ICF/IID facility that you plan to build at 680 Quaker Knob Road in Chuckey Tennessee for a total project cost of approximately \$966,000. We believe there is a very good chance that we can be successful in doing this like we were with the \$16,250,000 USDA loan for your Florida facility that USDA approved a few months ago.

It is our understanding that Regional Properties, Inc. will own the facility and its affiliate Sunrise Community of Tennessee, Inc. will operate the facility. Since Regional Properties, Inc. will own the facility, it will need to be the borrower.

As discussed, the USDA loan will be a USDA Rural Development Business and Industry (B&I) guaranteed loan. After receiving the required information, it normally takes about 3 months to put the USDA application together and get USDA B&I's approval.

The following is information about our USDA loans.

Capital Resource (CRA) specializes in USDA loans with terms normally up to 30 years with no balloons. USDA loans can be used for business purposes including acquisitions; purchase of land, building, improvements and equipment; enlargement or modernization; refinancing existing debt; and loan cost. Many types of businesses are eligible including charter schools, medical centers, hospitals, community facilities, manufacturing, processing, energy, distribution, wholesale, retail, service, restaurant and hotels. USDA loans are normally permanent loans that are funded after construction is complete. Typically USDA loans feature longer terms and competitive rates. USDA Rural Development (USDA) has responsibility for administering the loan programs and proceeds must be utilized for business purposes in rural areas.

General criteria is adequate, available and acceptable: business plan and projections that are reasonably achievable and can be demonstrated to the satisfaction of all parties involved that the business can be successful in implementing items in the business plan and projections; management's ability and experience in the field; balance sheet equity/net worth; working capital; collateral; loan to collateral value; appraisal of collateral; feasibility study; environmental report; guarantees; property purchase agreement; and if construction is involved, acceptable: plans, specifications, permits, zoning and licenses; property purchase agreement; and bonded construction agreement.

Collateral is normally real estate and equipment. Loan to value depends on the collateral and/or USDA loan program. The term of the loan is normally a function of the collateral; however, it cannot exceed the collateral's useful life. The guaranteed loan interest rate is normally prime plus 1% and is adjustable not more often than quarterly. Other costs incurred include appraisal, feasibility report, environmental report, inspections, USDA fee, CRA fee, construction lender fee and other expenses that may be associated with the loan.

CRA is a qualified lender in the USDA guaranteed business loan program; however, when CRA does USDA guaranteed loans it normally joint ventures with lenders that service the borrower's area whereby its joint venture partner is the lender of record for the loan and CRA is their compensated affiliate. Historically CRA has handled several aspects of USDA loans including: origination, working with borrowers, working with CRA's joint venture lenders, providing mortgage/investment banking and

loan packaging services to borrowers, underwriting loans, preparing loan commitments, working with USDA to secure their commitments, coordinating appraisals, coordinating environmental, coordinating closing with the loan closing attorney and borrowers and coordinating the issuance of the USDA commitments and guarantees for the loans. Although most of CRA's USDA loans have been in Florida, we have done tens of million dollars in USDA loans as far away as Washington, Oregon and Hawaii. CRA's personnel have been doing USDA guaranteed loans since the mid 1970's and it's proven experience with the USDA guaranteed loan program (\$250 million+ loans) ensures Clients receive quick, responsive service.

## STATEMENT OF ACCOUNT




046 1 MB 0.439 T6 MAAD296 PL1 S296



SUNRISE COMMUNITY FOUNDATION INC  
ATTN: CASH MANAGER, TREASURY SERVICE  
9040 SW 72ND ST  
MIAMI FL 33173-3432

000846

Date 8/31/15 Page 1  
Account Number \*\*\*\*\*8782



## CHECKING ACCOUNT

## SELECT MONEY MARKET COMMERCIAL

Account Number	*****8782	Statement Dates	8/03/15 thru 8/31/15	0
Previous Balance	3,378,904.85	Days this Statement Period	29	
Deposits/Credits	.00	Average Ledger	3,378,904.85	
Checks/Debits	.00	Average Collected	3,378,904.85	
Service Charge	.00	Interest Earned	671.15	
Interest Paid	671.15	Annual Percentage Yield Earned	0.25%	
Current Balance	3,379,576.00	2015 Interest Paid	9,131.60	

## Deposits and Additions

Date	Description	Amount
8/31	Interest Deposit	671.15

## Daily Balance Information

Date	Balance	Date	Balance
8/03	3,378,904.85	8/31	3,379,576.00



***Excellence in  
Serving Special Needs***

Sunrise Community Foundation, Inc  
9040 Sunset Drive  
Miami, FL 33173  
T 305.596.9040  
F 305.598.8240  
Www.sunrisegroup.org

November 11, 2015

To Whom It May Concern:

RE: 680 Quaker Knob Road, Chuckey, TN

Should the USDA loan be delayed or not be funded, Sunrise Community Foundation will provide the funds for the construction and ancillary costs at 680 Quaker Knob Road in Chuckey, Tennessee.

Subsequent to the 990 preparation for FY ending June 30, 2014, the Foundation had a cash infusion of \$5.1 million, so has additional resources more than adequate to fund the construction and ancillary costs at Quaker Knob Road.

Sincerely,

A handwritten signature in dark ink, appearing to read "James G. Weeks", is written over the typed name and title.

James G. Weeks  
Chief Financial Officer

## **C, Economic Feasibility-3**

### **Reasonableness of Costs**



**CLARK/DIXON**  
**ARCHITECTS**

2035 MADISON AVENUE / MEMPHIS, TN 38104 / 901/272-9250 / clarkdixonarchitects.com

November 09, 2015

Mr. Michael Hart  
V.P. of Customer Service & Operations  
Sunrise Community, Inc.  
9040 Sunset Drive  
Miami, FL. 33173

Re: Construction Costs  
680 Quaker Knob Rd.  
ICF/IID Home

Dear. Michael,

Clark/Dixon Architects has prepared the design drawings and construction cost estimate for the ICF/IID Home that the Sunrise Community proposes to build on Quaker Knob Road in Chuckey, Tennessee. The proposed construction costs for this home is based upon Clark/Dixon Architects 10 years of experience in designing and constructing over forty (40) four-bed ICF/MR Homes for the State of Tennessee, Department of Intellectual and Developmental Disabilities, across the State. Eleven (11) of these homes were built in the Greeneville, TN., area over the past five (5) years. The proposed construction costs for the Sunrise home is comparable to the construction costs encountered for similar ICF/MR Homes we designed and built in the Greeneville area.

Please notify me if you have any questions or require additional information.

Sincerely,

R. Larry Clark, RA, NCARB  
Partner

## **C, Economic Feasibility-4**

### **Management Contract**

# MANAGEMENT AGREEMENT FOR SUNRISE COMMUNITY OF TENNESSEE

Sunrise Community of Tennessee, Inc. and Sunrise Community, Inc. ("Manager" )  
agree as follows this \_\_\_ day of July, 2011:

WHEREAS Sunrise Community of Tennessee, Inc. is also a 501(c) 3, non-profit agency with a focus on services to individuals with developmental disabilities and similar needs and,

WHEREAS Sunrise Community, Inc. has an administrative structure in place to maximize quality of care and financial efficiency for the delivery of services at the proposed Sunrise Community of Tennessee,

IT IS AGREED AS FOLLOWS:

1. This Management Agreement shall be construed in a manner consistent with the intentions of the parties and nature of the transaction as set forth herein.
2. Compensation of the Manager and Responsibilities and Positions Included in the Fee for Management Services. The Manager shall provide services and be compensated as follows:
  - a. Payment for services will be at an agreed rate or formula taking into consideration the nature of reimbursement for the services, especially the Tennessee reimbursement plans for its ICF/DD program at the time services are to commence and may be subject to modification based on possible changes in these programs and access to other funding sources at the time of the agreement or as anticipated or occurring in the future. At no time shall the fees paid the Manager be less than the reasonable and necessary costs incurred by a Provider to provide high quality care in compliance with the requirements of the programs (particularly, but not by way of limitation, the ICF/DD program). The Management Fees cost calculation is based on YTD expenses. Sunrise Community of Tennessee YTD proportionate share of the total Sunrise Group YTD expenditures are used to allocate its portion of the Management Services cost (National Headquarters).

b. Manager shall provide owner with services including but not limited to:

- Advice and consultation from the Sunrise Group's President and C.E.O., Chief Operating Officer, Chief Financial Officer and their respective offices.
- Staff support for administrative tasks needed by Sunrise Community of Tennessee, Inc.'s Board of Directors such as communication of meetings, transcribing meeting minutes, record keeping, preparing and filing required corporate documents, administrative functions for development and maintenance of policies and procedures, etc.
- Banking relationship management to include establishment and maintenance of all bank accounts, credit cards and loans.
- Management of Sunrise community of Tennessee, Inc.'s participation in the Sunrise Group's cash management program that ensures that Sunrise Community of Tennessee, Inc. is able to meet all its cash needs in a timely and cost efficient manner.
- Accounting services to include maintenance of general and all subsidiary ledgers (A/R, A/P, payroll, etc.), control and storage of accounting records, centralized account payable and receivable functions, coordination of external audit function, recording and depreciation of capital assets, etc.
- Payroll functions to include, but not limited to, collection, recording and maintenance of time and attendance records, issuing payroll checks/deposits, preparing and filing required payroll tax returns.
- Assistance with budget development and management.
- Human resource functions to include assistance with employee recruitment, hiring, discipline and separation activities, employee benefits management, etc.
- Oversight of client trust account record keeping, representative payee functions, etc.
- Coordination of legal services as needed.
- Assistance with purchasing of insurance policies.
- Risk management services to include reporting and management of insurance claims, assistance with OSHA and HIPAA compliance, coordination

of safety and risk reduction activities, maintenance of reported incident database, etc.

- Centralized purchasing for vehicles, major appliances, office and medical supplies, communication devices, etc.
- Fleet management services to include centralized fuel and maintenance purchasing, GPS monitoring of vehicle usage, coordination for vehicle repairs, registration and licensure, etc.
- Facilities management services to include selection and purchasing of facilities; coordination of repairs, maintenance and renovations; assistance with permitting, zoning issues and property tax filings; management of leasing arrangements; etc.
- Information services to include computer equipment, network and software analysis, purchase, installation and maintenance; database and website management; etc.
- Assistance with preparation and filing documentation to obtain and maintain required licenses, certifications and any other approves needed to conduct business.
- Maintenance of relationships with all funding sources and organizations.
- Assistance with local community and organizational relationships.
- Coordination and assistance with development activities such as fundraising, grant writing, donor solicitation and acknowledgement, volunteer management, etc.
- Assistance with staff orientation, training and development through Sunrise University.
- Corporate compliance and quality assurance assistance to help with identification and develop of systems and tools to review, audit and evaluate programs, services and operations to ensure compliance with government requirements, utilization of best practices, and identify under-performing units

**C, Economic Feasibility-6.B**

**Comparison of Charges**

**10/7/2015 Email from Clayton Wells**

**Department of Intellectual and Developmental Disabilities**

## **Celeste Putnam**

---

**Subject:** FW: ICF information

**From:** Clayton Wells [<mailto:Clayton.Wells@tn.gov>]

**Sent:** Wednesday, October 07, 2015 8:27 AM

**To:** Celeste Putnam; Margi E. Story

**Cc:** John Craven

**Subject:** RE: ICF information

Below is a list of DIDD's East TN Home and daily rate associated.

Chuckey Pike	\$833.70
Meadowbrook	\$790.79
Horse Creek	\$785.55
Stone Dam #2	\$759.10
Stone Dam #3	\$794.53
Susong #1	\$760.76
Susong #2	\$748.78
Amity	\$749.84
Asheville Hwy. #1	\$935.84
Buckingham #1	\$853.48
Buckingham #3	\$730.33
Buckingham #2	\$978.83
Dyer Street	\$887.38
Redbud	\$749.90
Rambo	\$749.90
Asheville Highway #2	\$749.90

---

**From:** Celeste Putnam [<mailto:celeste@chrysalisconsulting.comcastbiz.net>]

**Sent:** Tuesday, October 06, 2015 8:07 PM

**To:** Margi E. Story; Clayton Wells

**Cc:** John Craven

**Subject:** RE: ICF information

Thank you very much.

---

**From:** Margi E. Story [<mailto:Margi.E.Story@tn.gov>]  
**Sent:** Tuesday, October 6, 2015 8:57 PM  
**To:** Clayton Wells <[Clayton.Wells@tn.gov](mailto:Clayton.Wells@tn.gov)>  
**Cc:** Celeste Putnam <[celeste@chrysalisconsulting.com](mailto:celeste@chrysalisconsulting.com)>; John Craven <[John.Craven@tn.gov](mailto:John.Craven@tn.gov)>  
**Subject:** FW: ICF information

Clayton please see the email below. I wasn't sure about our current rates or access to this information. I would greatly appreciate a reply to Ms. Putnam.

---

**From:** Celeste Putnam [[celeste@chrysalisconsulting.com](mailto:celeste@chrysalisconsulting.com)]  
**Sent:** Tuesday, October 06, 2015 7:33 PM  
**To:** Margi E. Story  
**Subject:** ICF information

My name is Celeste Putnam and I am working for a company that intends to submit a Certificate of Need to operate ICF/MR programs in the Greene county area. The Certificate of Need application requires that the applicant include information on the ICF/MR rates in the area. I saw on your website that you are the director of numerous community homes in the area. Are you able to share with me the rates for those homes and if not would you please suggest someone that I can contact that might have the information. Thank you very much for your assistance.

**C, Economic Feasibility-10**

**Audited Financial Statement**

**Balance Sheet and Income Statement**

**Sunrise Community Foundation, Inc.'s Federal Tax Form 990**

**SUNRISE COMMUNITY OF TENNESSEE, INC.**

**FINANCIAL STATEMENTS**

**Years Ended June 30, 2014 and 2013**

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MOORE STEPHENS  
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Board of Directors of  
Sunrise Community of Tennessee, Inc.  
Miami, Florida

We have audited the accompanying financial statements of Sunrise Community of Tennessee, Inc., which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors of  
Sunrise Community of Tennessee, Inc.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sunrise Community of Tennessee, Inc. as of June 30, 2014 and 2013, and the related statements of activities, cash flows, and functional expenses for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2014, on our consideration of Sunrise Community of Tennessee, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sunrise Community of Tennessee, Inc.'s internal control over financial reporting and compliance.



**MOORE STEPHENS LOVELACE, P.A.**

Certified Public Accountants

Miami, Florida  
November 7, 2014

# SUNRISE COMMUNITY OF TENNESSEE, INC.

## STATEMENTS OF FINANCIAL POSITION

June 30, 2014 and 2013

### ASSETS

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash	\$ 13,615	\$ 750
Accounts receivable, net of allowance for doubtful accounts of approximately \$7,200	1,627,511	3,140,113
Prepaid expenses	80,089	53,023
	<u>1,721,215</u>	<u>3,193,886</u>
LEASEHOLD IMPROVEMENTS, FURNITURE, AND EQUIPMENT, net	799,277	673,733
OTHER ASSETS	17,515	13,325
	<u>17,515</u>	<u>13,325</u>
TOTAL ASSETS	<u>\$ 2,538,007</u>	<u>\$ 3,880,944</u>

### LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	1,205,043	\$ 1,136,919
Capital leases payable	317,905	242,577
	<u>1,522,948</u>	<u>1,379,496</u>
TOTAL CURRENT LIABILITIES	1,522,948	1,379,496
CAPITAL LEASES PAYABLE, net of current portion	462,864	412,607
	<u>462,864</u>	<u>412,607</u>
TOTAL LIABILITIES	1,985,812	1,792,103
COMMITMENTS AND CONTINGENCIES		
UNRESTRICTED NET ASSETS	552,195	2,088,841
	<u>552,195</u>	<u>2,088,841</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,538,007</u>	<u>\$ 3,880,944</u>

The accompanying notes are an integral part of the financial statements.

# SUNRISE COMMUNITY OF TENNESSEE, INC.

## STATEMENTS OF ACTIVITIES

Years Ended June 30, 2014 and 2013

	2014	2013
REVENUES		
Medicaid waiver revenue	\$ 19,146,966	\$ 18,062,795
Rent revenue	218,751	198,481
Other support and revenue	7,749	9,777
TOTAL OPERATING REVENUE	19,373,466	18,271,053
EXPENSES		
Program services		
Residential	15,411,758	14,770,302
Supporting services		
Management and general	2,794,288	2,883,966
TOTAL OPERATING EXPENSES	18,206,046	17,654,268
CHANGE IN NET ASSETS BEFORE OTHER GAINS	1,167,420	616,785
OTHER GAINS		
Net gain on sale and disposal of equipment	26,634	43,369
CHANGE IN NET ASSETS	1,194,054	660,154
UNRESTRICTED NET ASSETS - BEGINNING OF YEAR	2,088,841	489,469
NET ASSETS TRANSFERRED (TO) FROM RELATED PARTIES	(2,730,700)	939,218
UNRESTRICTED NET ASSETS - END OF YEAR	\$ 552,195	\$ 2,088,841

The accompanying notes are an integral part of the financial statements.

# SUNRISE COMMUNITY OF TENNESSEE, INC.

## STATEMENTS OF CASH FLOWS

Years Ended June 30, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,194,054	\$ 660,154
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	316,497	260,172
Provision for doubtful accounts	-	3,332
Net gain on sale and disposal of equipment	(26,634)	(43,369)
Changes in operating assets and liabilities:		
Accounts receivable	1,512,602	(1,626,890)
Prepaid expenses	(27,066)	41,747
Other assets	(4,190)	750
Accounts payable and accrued expenses	68,124	(30,650)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	3,033,387	(734,754)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of leasehold improvements, furniture, and equipment	(17,794)	(8,145)
Proceeds from sale of equipment	26,959	43,369
NET CASH PROVIDED BY INVESTING ACTIVITIES	9,165	35,224
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital leases	(298,987)	(240,580)
Net assets transferred (to) from related parties	(2,730,700)	940,110
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	(3,029,687)	699,530
NET INCREASE IN CASH	12,865	-
CASH - BEGINNING OF YEAR	750	750
CASH - END OF YEAR	\$ 13,615	\$ 750

The accompanying notes are an integral part of the financial statements.

# SUNRISE COMMUNITY OF TENNESSEE, INC.

## STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended June 30, 2014

	PROGRAM SERVICE	SUPPORTING SERVICE	TOTAL
	Residential	Management and General	EXPENSES
Salaries	\$ 11,468,509	\$ 873,678	\$ 12,342,187
Payroll taxes and fringe benefits	2,254,662	166,201	2,420,863
<b>TOTAL PERSONNEL COSTS</b>	<b>13,723,171</b>	<b>1,039,879</b>	<b>14,763,050</b>
Advertising	-	15,633	15,633
Building occupancy	282,260	220,843	503,103
Cleaning supplies and services	629	3,129	3,758
Consultants and professional fees	4,212	38,995	43,207
Depreciation and amortization	309,037	7,460	316,497
Dues and licenses	-	11,761	11,761
Food and kitchen supplies	1,385	-	1,385
Interest	51,478	1,378	52,856
Insurance	309,987	11,914	321,901
Linens and laundry	362	-	362
Medical supplies	21,040	-	21,040
Office supplies	2,629	76,748	79,377
Personal care costs	41,758	-	41,758
Personnel processing and related costs	-	56,301	56,301
Postage and delivery	-	12,510	12,510
Program supplies	7,914	-	7,914
Repairs and maintenance	135,006	44,987	179,993
Small appliances and furniture	18,070	4,495	22,565
Staff development and training	4,901	68,567	73,468
Telephone	14,141	40,883	55,024
Transportation cost	332,199	22,660	354,859
Travel, conference, and seminar	144,799	34,616	179,415
Utilities	6,780	28,241	35,021
<b>TOTAL OPERATING EXPENSES</b>	<b>1,688,587</b>	<b>701,121</b>	<b>2,389,708</b>
<b>TOTAL EXPENSES BEFORE MANAGEMENT FEES</b>	<b>15,411,758</b>	<b>1,741,000</b>	<b>17,152,758</b>
<b>MANAGEMENT FEES</b>	<b>-</b>	<b>1,053,288</b>	<b>1,053,288</b>
<b>TOTAL</b>	<b>\$ 15,411,758</b>	<b>\$ 2,794,288</b>	<b>\$ 18,206,046</b>

The accompanying notes are an integral part of the financial statements.

**SUNRISE COMMUNITY OF TENNESSEE, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES (Continued)**  
**Year Ended June 30, 2013**

	PROGRAM SERVICE	SUPPORTING SERVICE	TOTAL EXPENSES
	Residential	Management and General	
Salaries	\$ 11,014,586	\$ 905,772	\$ 11,920,358
Payroll taxes and fringe benefits	2,169,856	174,926	2,344,782
<b>TOTAL PERSONNEL COSTS</b>	<b>13,184,442</b>	<b>1,080,698</b>	<b>14,265,140</b>
Advertising	-	25,935	25,935
Building occupancy	243,088	216,789	459,877
Cleaning supplies and services	332	3,065	3,397
Consultants and professional fees	-	45,236	45,236
Depreciation and amortization	256,561	3,611	260,172
Dues and licenses	-	12,629	12,629
Food and kitchen supplies	634	-	634
Interest	41,676	-	41,676
Insurance	315,789	12,458	328,247
Linens and laundry	180	-	180
Medical supplies	19,453	-	19,453
Office supplies	3,016	62,900	65,916
Personal care costs	68,217	-	68,217
Personnel processing and related costs	-	48,352	48,352
Postage and delivery	-	13,801	13,801
Program supplies	5,483	-	5,483
Provision for doubtful accounts	3,332	-	3,332
Repairs and maintenance	161,663	40,800	202,463
Small appliances and furniture	24,641	1,737	26,378
Staff development and training	12,646	72,452	85,098
Telephone	9,673	37,648	47,321
Transportation cost	310,148	16,923	327,071
Travel, conference, and seminar	104,051	44,905	148,956
Utilities	5,277	30,751	36,028
<b>TOTAL OPERATING EXPENSES</b>	<b>1,585,860</b>	<b>689,992</b>	<b>2,275,852</b>
<b>TOTAL EXPENSES BEFORE MANAGEMENT FEES</b>	<b>14,770,302</b>	<b>1,770,690</b>	<b>16,540,992</b>
<b>MANAGEMENT FEES</b>	<b>-</b>	<b>1,113,276</b>	<b>1,113,276</b>
<b>TOTAL</b>	<b>\$ 14,770,302</b>	<b>\$ 2,883,966</b>	<b>\$ 17,654,268</b>

The accompanying notes are an integral part of the financial statements.

# **SUNRISE COMMUNITY OF TENNESSEE, INC.**

## **NOTES TO FINANCIAL STATEMENTS**

**Years Ended June 30, 2014 and 2013**

### **NOTE 1 - NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Nature of the Organization**

Sunrise Community of Tennessee, Inc. (the "Organization") is a not-for-profit corporation organized for the purpose of providing housing, supervision, training, therapeutic, medical, educational, and other related services to individuals with intellectual and other developmental disabilities in the state of Tennessee.

The Organization was incorporated on April 1, 1995, exclusively for charitable and educational purposes. Sunrise Community of Tennessee, Inc. is affiliated through common control with several other not-for-profit corporations that also provide services to individuals with intellectual and other developmental disabilities in various states. The Organization, and each of the related corporations, has as their sole shareholder the Phineas Corporation, a Florida not-for-profit corporation organized to act as the holding company. The entire group of related corporations is referred to as the "Sunrise Group."

Sunrise Community, Inc., a member of the Sunrise Group, provides administrative and cash management services to all of the group members.

#### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

#### **Cash Management**

The Sunrise Group has established a cash management policy to facilitate optimum cash flow flexibility and control, and to establish central banking relationships utilizing a minimum number of accounts. All cash is managed through a general operating account and a general payroll account of Sunrise Community, Inc. All cash receipts of the related corporations of the Sunrise Group are transferred to the Sunrise Community, Inc. general operating account on a periodic basis. Each operating entity controls its own operating and payroll accounts, and receives necessary cash flow requirements through Sunrise Community, Inc. This is accomplished through a zero balance account system whereby operating cash balances are swept on a daily basis to Sunrise Community, Inc. and cash transfers are made to cover checks clearing daily.

**NOTE 1 - NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Leasehold Improvements, Furniture, and Equipment**

Leasehold improvements, furniture, and equipment acquisitions in excess of \$2,500 are recorded at cost, except for donated assets which are recorded at their estimated fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, which range from 4 years to 7 years. Amortization of leasehold improvements is computed on a straight-line basis over the shorter of the estimated useful lives of the assets or the lease term.

**Medicaid Waiver Revenue**

Client services rendered to Medicaid program beneficiaries are reimbursed under a maximum fee-for-service methodology.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Direct expenses are charged to each program and activity when incurred. All expenses not directly chargeable to a program are allocated based on the program's proportionate share of total expenditures.

**Income Taxes**

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes has been included in the accompanying financial statements. As of June 30, 2014, with few exceptions, the Organization is no longer subject to income tax examinations for its federal income tax returns filed prior to 2011.

**Subsequent Events**

The Organization has evaluated subsequent events for recognition and disclosure through November 7, 2014, which is the date the financial statements were available to be issued.

**NOTE 2 - NET ASSETS TRANSFERRED (TO) FROM RELATED PARTIES AND RELATED PARTY TRANSACTIONS**

The Sunrise Group's cash management policies require all cash receipts to be transferred to the Sunrise Community, Inc. general operating account (see Note 1). Cash transfers back to the Organization are only made to cover its required cash flow needs, creating a due (to) from Sunrise Community, Inc. Since there is no intention to repay these related party balances, any excess cash transfers are considered a permanent transfer of net assets at year end. During the years ended

**NOTE 2 - NET ASSETS TRANSFERRED (TO) FROM RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)**

June 30, 2014 and 2013, the Organization transferred net assets (to) from entities in the Sunrise Group amounting to \$(2,730,700) and \$939,218, respectively. Net assets transferred to related entities during the year ended June 30, 2013, included non-cash assets and its related liabilities with a book value of \$892.

Sunrise Community, Inc. provides substantially all executive management, financial, information systems, and human resource management functions to the members of the Sunrise Group. Sunrise Community, Inc. charged management fees of \$1,053,288 and \$1,113,276 for the years ended June 30, 2014 and 2013, respectively, for such services.

The Organization has several leases payable for transportation equipment in which the Organization is a co-borrower with Sunrise Community, Inc. The related assets and liabilities are included in the Organization's statements of financial position. The leases are collateralized by the transportation equipment.

**NOTE 3 - LEASEHOLD IMPROVEMENTS, FURNITURE, AND EQUIPMENT**

Leasehold improvements, furniture, and equipment consist of the following at June 30, 2014 and 2013:

	2014	2013
Furniture and equipment	\$ 129,030	\$ 119,674
Leasehold improvements	98,188	95,688
Transportation equipment	2,193,218	1,922,476
	<u>2,420,436</u>	<u>2,137,838</u>
Less accumulated depreciation and amortization	1,621,159	1,464,105
	<u>\$ 799,277</u>	<u>\$ 673,733</u>

Depreciation and amortization expense for the years ended June 30, 2014 and 2013, was approximately \$316,000 and \$260,000, respectively.

**NOTE 4 - OBLIGATIONS UNDER CAPITAL LEASES**

The Organization leases transportation equipment under capital leases. The basis in the assets and liabilities under the capital leases were recorded at the present value of the minimum lease payments. Future minimum lease payments required under capital leases at June 30, 2014, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2015	\$ 360,293
2016	279,311
2017	166,868
2018	<u>49,813</u>
Total minimum lease payments	856,285
Less amount representing interest	<u>75,516</u>
Present value of net minimum lease payments (which includes \$317,905 classified as current obligation)	<u>\$ 780,769</u>

Assets and accumulated amortization under capital leases that are included in property and equipment at June 30, 2014 and 2013, are as follows:

	<u>2014</u>	<u>2013</u>
Transportation equipment	\$ 1,352,748	\$ 1,012,847
Less accumulated amortization	<u>610,190</u>	<u>389,055</u>
	<u>\$ 742,558</u>	<u>\$ 623,792</u>

Interest paid on all borrowing arrangements for the years ended June 30, 2014 and 2013, was \$52,856 and \$41,676, respectively.

**NOTE 5 - FUNDING**

The Organization operates homes for the individuals with intellectual disabilities which are licensed by the state of Tennessee and funded by the Tennessee Department of Mental Health and Developmental Disabilities. This funding provided 99% of the Organization's total revenues for each one of the years ended June 30, 2014 and 2013.

**NOTE 6 - EMPLOYEE BENEFIT PLAN**

The Organization maintains a defined contribution benefit plan (403(b) salary deferral plan) covering substantially all employees. Employees may elect to contribute amounts to the plan not to exceed a specified percentage of annual compensation, subject to the current limit imposed by Internal Revenue Service guidelines. The Organization, at its discretion, may match the participants' contributions at a specified percentage, limited by a stated maximum amount. An unrelated investment company administers the assets of the plan. The total employer contributions charged to expense for the years ended June 30, 2014 and 2013, were \$13,708 and \$16,618, respectively.

## **NOTE 7 - COMMITMENTS AND CONTINGENCIES**

### **Client Trust Funds**

The Organization is a trustee for client funds which are expended on behalf of the clients for personal items. The amount of client funds held and the offsetting liability at June 30, 2014 and 2013, amounted to approximately \$75,000 and \$105,000, respectively. This amount has not been reflected in the Organization's statements of financial position.

### **Legislation and Regulatory Contingency**

Government funding for health care programs is subject to statutory and regulatory changes, administrative rulings, interpretations of policy, intermediary determinations, and governmental funding restrictions, all of which may materially affect program reimbursement to health care facilities. Changes in the reimbursement policies of the Medicaid programs as a result of legislative and regulatory actions by federal and state governments could adversely affect the revenues of the Organization.

### **Third-Party Rate Adjustments and Revenue**

Substantially all program service revenue was derived under state third-party reimbursement programs. These revenues are subject to audit and retroactive adjustment by the respective third-party fiscal intermediaries. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

### **Operating Leases**

The Organization has leases with related parties with various options to renew. The annual commitment is equal to the total property-related expenses incurred by the lessor including depreciation and interest. Rent expense to related parties was approximately \$205,000 and \$194,000 for the years ended June 30, 2014 and 2013, respectively.

Total rent expense paid to unrelated third parties for operating leases with various terms ranging from month-to-month to seven years was approximately \$281,000 and \$255,000 for the years ended June 30, 2014 and 2013, respectively.

Total rent expense was approximately \$486,000 and \$449,000 for the years ended June 30, 2014 and 2013, respectively.

**NOTE 7 - COMMITMENTS AND CONTINGENCIES (Continued)****Operating Leases (Continued)**

The following is a schedule of future minimum lease payments as of June 30, 2014, for all operating lease obligations:

<b>Year Ending June 30,</b>	<b>Amount</b>
2015	\$ 387,000
2016	275,000
2017	226,000
2018	224,000
2019	211,000
Thereafter	220,000
	<u>\$ 1,543,000</u>

**Litigation**

The Organization is subject to legal proceedings that arise in the ordinary course of its business. In the opinion of management, the amount of ultimate liability, if any, in excess of applicable insurance coverage, will not have a material effect on the financial condition, change in net assets, or liquidity of the Organization. However, as the outcome of litigation or other legal claims is difficult to predict, significant changes in the estimated exposure could occur.

**Workers' Compensation**

The Organization was insured through a workers' compensation full-insurance program from June 1, 2007 through May 31, 2013. Effective June 1, 2013, the Organization and certain other Sunrise Group affiliates have a workers' compensation partially self-insured policy that requires monthly payments for premiums and estimated claims. The new program contains an aggregate stop-loss amount that fixes the maximum exposure during the policy year.

For the years ended June 30, 2014 and 2013, the Organization paid and expensed approximately \$546,000 and \$561,000, respectively, for the workers' compensation insurance policies. At June 30, 2014 and 2013, the amount of the liability for all policy years for known claims and incurred, but not reported amounts, was approximately \$78,000 and \$76,000, respectively.

**Guarantees and Borrowing Arrangements**

The Organization and other related affiliates of the Sunrise Group have guaranteed certain loans payable to financial institutions. The aggregate outstanding amount of those borrowings at June 30, 2014, that was subject to the guarantees was approximately \$10,620,000. The loan agreements contain certain restrictive financial covenants. The Organization and other related affiliates are required to meet certain performance covenants under the financing agreement. The Organization and other related affiliates were in compliance with the covenants at June 30, 2014.

**NOTE 7 - COMMITMENTS AND CONTINGENCIES *(Continued)***

**Credit Risk**

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash. Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of accounts receivable. Management believes concentrations of credit risk with respect to accounts receivable is mitigated by the taxing authority of the governmental entity funding the program.



MOORE STEPHENS  
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of  
Sunrise Community of Tennessee, Inc.  
Miami, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Sunrise Community of Tennessee, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 7, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered the Sunrise Community of Tennessee, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sunrise Community of Tennessee, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Sunrise Community of Tennessee, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors of  
Sunrise Community of Tennessee, Inc.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Sunrise Community of Tennessee, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Sunrise Community of Tennessee, Inc.'s internal control or on compliance. This report is an integral part of audits performed in accordance with *Government Auditing Standards* in considering Sunrise Community of Tennessee, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**MOORE STEPHENS LOVELACE, P.A.**

Certified Public Accountants

Miami, Florida

November 7, 2014

Sunrise Community of Tennessee  
Sunrise Community of Tennessee  
For the Twelve Months Ending June 30, 2015

June  
2015

**ASSETS**

**CURRENT ASSETS**

Cash	(\$2,047.24)
Accounts Receivable - Net	1,651,577.97
Other Receivables	71,409.10
Prepaid Assets	79,158.42

<b>TOTAL CURRENT ASSETS</b>	<b>1,800,098.25</b>
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**ASSETS WHOSE USE IS LIMITED**

<b>PROPERTY, BUILDINGS AND EQUIPMENTS, NET</b>	<b>675,459.51</b>
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**OTHER ASSETS**

Deposits	20,664.59
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<b>TOTAL OTHER ASSETS</b>	<b>20,664.59</b>
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<b>TOTAL ASSETS</b>	<b>2,496,222.35</b>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts Payable	29,484.38
Accrued Expenses	1,083,823.96
Deferred Revenue	48,224.52
<u>Current Portion of</u> Obligation Under Capital Leases	271,073.27

<b>TOTAL CURRENT LIABILITIES</b>	<b>1,432,606.13</b>
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**LONG TERM LIABILITIES**

Obligation Under Capital Leases	274,678.10
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<b>TOTAL LONG TERM LIABILITIES</b>	<b>274,678.10</b>
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<b>TOTAL LIABILITIES</b>	<b>1,707,284.23</b>
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**NET ASSETS**

Unrestricted	1,477,471.67
Net Asset Transferred from (to) Related Party	(688,533.55)

<b>TOTAL NET ASSETS</b>	<b>788,938.12</b>
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<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>2,496,222.35</b>
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	@Quarter ACTUAL	@Quarter ACTUAL	@Quarter ACTUAL	April ACTUAL	May ACTUAL	June ACTUAL	June BUDGET	Monthly Variance	YTD ACTUAL	YTD BUDGET	YTD Variance
REVENUES											
60102 - Non Residential Habitation	191,833	164,468	234,882	76,561	68,458	81,420	55,412	26,008	617,422	641,191	176,231
60104 - Personal Care Assistance	82,806	18,929	8,452	5,742	993	421	0	421	117,344	521,795	(404,451)
60107 - Supported Living	3,994,382	3,836,961	3,897,134	1,310,495	1,360,860	1,349,825	1,302,173	47,652	15,749,657	15,843,101	(93,444)
60109 - Supported Employment	56,694	43,354	45,732	23,343	24,589	24,028	19,037	4,991	217,740	220,286	(2,546)
60115 - Transportation	2,068	(14)	0	0	0	0	0	0	2,053	0	2,053
60117 - Nursing	9,057	4,654	4,498	1,056	893	2,043	1,056	987	22,211	12,672	9,539
60121 - Community Participation	414,941	329,072	296,408	108,908	114,511	121,579	148,505	(26,926)	1,385,418	1,718,417	(332,999)
60150 - Other Medicaid Waiver Services	6,243	6,110	9,570	2,190	2,400	730	1,683	(953)	27,243	20,196	7,047
60209 - Supported Employment	0	0	5,964	1,988	0	0	0	0	7,952	0	7,952
60500 - Management Contracts	300	300	300	100	100	100	99	1	1,200	1,188	12
61000 - Grants	0	0	7,419	(7,419)	0	0	0	0	0	0	0
61002 - Grants - DOT	0	0	0	8,656	1,237	1,237	1,237	0	11,129	0	11,129
67800 - Prior Year Revenue	(860)	0	(860)	0	0	(2,864)	0	(2,864)	(4,416)	0	(4,416)
TOTAL - PROGRAM SERVICE REVENUE	4,757,463	4,403,835	4,509,468	1,531,629	1,574,039	1,578,518	1,527,965	50,554	18,354,963	18,978,847	(623,884)
67000 - Miscellaneous Revenue	667	1,000	1,333	344	333	0	0	0	3,678	0	3,678
68000 - Rent Revenue	65,537	62,325	70,372	22,581	22,656	23,814	18,252	5,562	267,284	219,024	48,260
69002 - Gain/Loss on Asset Disposal	0	0	12,686	(14,151)	0	(10,819)	0	(10,819)	(12,285)	0	(12,285)
TOTAL OTHER INCOME	66,203	63,326	84,391	8,774	22,989	12,994	18,252	(5,258)	258,577	219,024	39,553
TOTAL REVENUE	4,823,667	4,467,161	4,593,859	1,540,403	1,597,029	1,591,513	1,546,217	45,296	18,613,530	19,197,871	(584,240)
EXPENSES											
70001 - Vacation Salaries	0	0	0	0	0	30,529	0	30,529	30,529	0	30,529
70100 - Administrative Salaries	141,892	141,545	139,611	46,784	48,532	45,321	47,325	(2,004)	593,686	575,783	(12,097)
71000 - Maintenance Salaries	27,338	25,263	23,532	8,635	9,517	8,673	8,031	643	102,959	97,706	5,252
71700 - On Call Nurses	56,702	49,479	76,262	24,939	26,967	10,716	10,716	0	245,068	0	245,068
71800 - Nursing Salaries	189,448	217,156	262,903	92,785	101,144	118,874	85,211	33,663	982,310	1,036,731	(54,420)
71900 - Program Support Salaries	46,962	55,107	53,451	32,063	31,024	25,672	15,019	10,653	246,309	182,725	63,584
72000 - RPD/QMRP Salaries	136,566	131,887	128,122	49,537	50,276	47,383	39,090	8,288	543,971	475,596	68,376
72100 - Direct Support Staff Salaries	2,089,674	2,035,851	1,807,173	595,156	616,712	629,565	688,469	(58,905)	7,764,132	8,877,187	(1,093,055)
72200 - On Call DSS Salaries	194,269	126,573	111,744	31,304	30,804	36,446	3,003	201	531,140	36,540	531,140
72400 - Supported Living Coaches	9,539	9,476	9,208	5,186	3,103	3,205	3,144	201	39,684	3,144	36,540
72500 - Assistant Home Managers	149,593	149,076	136,987	34,445	38,192	45,682	59,178	(13,496)	583,976	720,000	(136,024)
73600 - Staff Development Salaries	26,154	26,040	32,723	11,588	9,851	9,734	9,595	140	116,031	116,734	(703)
74700 - Day Program Individual Salaries	0	0	1,371	932	468	(53)	0	(53)	2,719	0	2,719
74800 - Supported Employee	7,063	5,876	7,459	2,541	2,540	2,300	2,590	(290)	27,779	31,509	(3,730)
TOTAL SALARIES AND WAGES	3,097,232	2,973,097	2,780,549	935,235	969,131	1,014,047	957,510	56,538	11,770,350	12,150,512	(380,161)
75100 - FICA Expense	184,736	178,901	166,553	56,323	58,095	60,686	60,209	487	705,304	752,216	(46,912)
75101 - Medicare Expense	43,204	41,840	38,952	13,172	13,587	14,196	14,081	115	164,951	175,922	(10,970)
75200 - State Unemployment Expense	2,797	9,000	15,800	5,000	6,000	13,268	4,234	9,034	51,865	52,170	(305)
75300 - Group Health Insurance Expense	318,628	338,138	293,011	95,431	65,782	108,631	108,701	(70)	1,339,430	1,389,430	(50,000)
75301 - Employee Group Health Deduction	(78,683)	(79,960)	(74,117)	(21,226)	(25,230)	(26,047)	(25,600)	(447)	(305,253)	(315,446)	10,193
75400 - Workman's Comp. Ins. Expense	138,375	132,839	128,901	42,687	44,834	19,646	42,338	(22,692)	507,262	521,659	(14,397)
75401 - Workman's Comp Paid Losses	0	0	71	(1)	0	(23,668)	0	(23,668)	(23,598)	0	(70)
75500 - Retirement Fund Match Expense	3,461	3,784	3,092	1,064	1,133	1,136	1,181	(45)	14,568	14,568	0
75501 - Flex Spending Expense	7,495	7,533	7,583	1,900	1,950	(666)	2,462	(3,127)	30,332	30,332	0
75900 - Fringe Benefit Allocation	0	0	0	0	0	0	0	0	25,794	0	25,794
TOTAL FRINGE BENEFITS	620,013	633,026	579,844	194,350	168,150	187,193	207,607	(40,413)	2,360,576	2,570,879	(210,303)
76500 - Nursing Consultants	0	0	0	0	0	0	594	(594)	0	7,008	(7,008)
77900 - Miscellaneous Consultants	100	0	42	0	0	0	0	0	142	0	142
TOTAL CONSULTANTS	100	0	42	0	0	0	594	(594)	142	7,008	(6,867)
78000 - Medical Supplies	3,282	5,638	4,482	811	1,438	2,504	1,548	957	18,155	18,575	(420)
78600 - Programming Therapy Supplies	507	1,071	146	2	0	0	181	(181)	1,725	2,177	(452)
79700 - Adaptive Equipment	61	0	0	0	0	0	13	(13)	61	162	(100)
TOTAL PROGRAM SUPPLIES	3,851	6,708	4,628	812	1,438	2,504	1,743	762	19,942	20,914	(972)
79900 - Recreational Field Trips	1,258	756	113	328	171	489	704	(215)	3,117	8,449	(5,332)
80000 - Staff Development Supplies	9,949	33,084	10,400	5,028	3,893	2,234	3,656	(1,462)	64,589	64,000	589
80400 - Other Operating Expenses	0	0	0	0	0	94	0	94	94	0	94
80500 - Unreimbursed Advances	9,247	10,126	(5,816)	791	891	6,661	3,661	3,000	21,897	43,927	(22,030)
80800 - Food Costs	256	75	104	0	0	45	91	(46)	480	1,110	(630)
82000 - Small Appliances & Furniture	9,436	8,465	4,475	824	2,917	1,595	980	615	27,712	11,762	15,950

	@Quarter ACTUAL	@Quarter ACTUAL	@Quarter ACTUAL	April ACTUAL	May ACTUAL	June ACTUAL	June BUDGET	Monthly Variance	YTD ACTUAL	YTD BUDGET	YTD Variance
82100 - Cleaning Supplies	937	1,108	1,107	247	337	462	420	42	4,198	5,040	(842)
82200 - Clothing	36	81	0	0	0	0	86	(86)	117	1,029	(912)
82300 - Personal Care Items	163	18	0	14	0	0	25	(25)	195	300	(105)
82400 - Linens & Towels	199	91	458	0	0	0	8	(8)	748	100	648
82500 - Medical Professional Fees	0	966	128	0	10	0	0	0	1,104	0	1,104
82600 - Laundry Supplies	57	4	10	0	0	0	17	(17)	71	203	(132)
82800 - Program Staff Travel	27,302	33,437	24,198	7,997	10,429	9,660	8,663	997	113,022	119,178	(6,156)
82900 - Seminars & Workshops	0	0	0	2,119	0	0	75	(75)	2,119	899	1,220
TOTAL RESIDENTIAL EXPENSES	58,842	88,211	35,175	17,347	18,647	21,240	18,426	2,815	239,463	255,997	(16,533)
84100 - Service Contracts	2,175	2,834	2,330	667	667	667	172	495	9,340	2,069	7,271
84101 - Service Contracts - Pest Control	1,990	3,002	2,195	685	685	685	0	1,355	9,450	0	9,450
84102 - Service Contracts - Lawn & Grounds	3,089	1,702	1,088	460	2,370	600	778	(88)	8,311	9,339	(1,028)
84103 - Service Contracts - Waste Removal	238	1,120	188	52	52	281	61	220	1,991	726	1,265
84104 - Service Contracts - Equipment	4,354	3,421	2,543	1,186	0	1,503	1,149	354	13,009	13,790	(781)
84105 - Service Contracts - Sewage	360	0	0	0	0	0	0	0	360	0	360
84106 - Service Contracts - Software	1,650	1,650	0	550	590	550	314	236	6,600	3,771	2,829
84400 - Repairs & Maintenance	31,306	17,429	13,698	7,228	2,374	5,341	3,514	1,827	77,376	42,173	35,203
84500 - Repairs & Maintenance Supplies	21,207	23,103	20,459	7,126	6,403	4,167	5,777	(1,610)	82,467	89,328	(6,861)
TOTAL MAINTENANCE EXPENSES	66,429	54,264	43,064	17,955	12,636	14,554	11,766	2,788	208,903	141,196	67,708
87100 - Transportation - Repairs	25,717	19,989	18,596	8,474	7,026	3,360	3,773	(413)	83,142	45,277	37,866
87200 - Transportation - Fuel	67,960	45,409	30,402	12,850	14,870	17,002	17,363	(352)	188,494	208,237	(19,744)
87300 - Transportation - Tags & Licenses	1,549	836	1,390	229	394	1,462	363	1,099	5,859	4,351	1,508
87301 - Transportation - Fleet Changes	7,642	8,029	7,762	2,210	2,210	2,210	2,020	190	30,063	24,243	5,820
87400 - Transportation - Rental	89	1,798	169	77	77	371	469	(97)	2,505	5,625	(3,119)
87500 - Transportation - Leases	756	0	0	0	0	0	0	0	0	0	0
92801 - Interest Expense - Transportation	12,749	11,436	9,962	2,844	2,712	2,818	3,267	(451)	42,548	39,199	3,350
92902 - Insurance - Transportation	43,884	34,382	28,341	9,985	15,561	10,015	10,504	(489)	143,169	126,093	17,116
TOTAL TRANSPORTATION EXPENSES	160,346	121,105	96,662	36,592	43,850	37,236	37,749	(513)	495,781	452,985	42,796
88400 - Telephone Expense	15,623	15,709	15,566	7,237	6,301	6,873	4,369	2,504	67,509	52,639	14,870
88500 - Utilities	10,338	9,478	13,540	2,870	2,875	3,181	2,451	730	42,262	29,411	12,851
88501 - Utilities - Cable TV	200	17	86	31	375	124	102	23	833	1,221	(387)
88700 - Rental Storage Space	2,229	3,424	2,206	896	1,531	926	671	255	11,212	8,054	3,158
88800 - Building Rent Expense	103,650	111,489	110,938	46,271	37,763	38,976	34,810	4,165	449,087	417,723	31,364
89200 - Depreciation Expense	87,446	85,927	88,905	26,664	24,467	26,867	26,537	229	340,276	319,648	20,627
89300 - Real/Personal Property Taxes	1,933	3,208	1,331	630	439	769	769	(329)	9,222	9,222	(1,243)
92400 - Other Financing Cost	76	209	169	53	124	4	223	(329)	635	2,674	(2,039)
92604 - Interest Allocation	19,287	21,790	19,699	6,964	6,484	6,776	5,499	1,277	80,989	65,986	15,003
92901 - Insurance - Property	8,868	8,868	8,868	2,956	2,956	3,715	3,147	568	36,230	37,762	(1,532)
TOTAL BUILDING & UTILITIES	249,850	260,119	261,307	94,562	83,315	87,881	78,678	9,204	1,037,034	944,340	92,693
TOTAL OPERATING EXPENSES	539,417	530,408	440,868	167,299	159,886	163,417	148,945	14,472	2,001,255	1,822,439	178,825
91000 - Advertising	(474)	1,517	3,273	77	611	851	909	(58)	5,855	10,904	(5,048)
91100 - Employee Investigative Fee	9,717	9,001	8,968	4,131	8,402	6,328	4,611	1,717	46,546	55,331	(8,785)
92500 - Office Furniture & Small Equip	0	1,445	(1,044)	0	76	520	137	383	921	1,638	(717)
92600 - Computer Supplies	1,128	1,701	1,309	0	2,755	1,057	1,350	(293)	7,950	16,203	(8,253)
92700 - Bank Service Charges	43,107	43,107	44,228	15,490	15,490	87	108	(21)	1,295	790	(504)
92900 - Insurance - Liability	6,445	7,843	7,016	1,702	3,447	72,225	13,300	58,925	233,648	173,071	60,577
93300 - Office Supplies	621	1,188	1,594	356	940	1,982	3,104	(1,121)	28,436	37,243	(8,807)
93400 - Rent on Office Equipment	3,857	3,857	3,857	1,525	1,166	1,694	1,166	528	15,956	13,992	1,964
93500 - Printing Expense	50	452	203	313	54	85	115	(30)	1,382	123	1,259
93700 - Copying Expense	2,039	2,612	3,240	1,585	649	537	945	(407)	10,642	11,337	(695)
93900 - Postage & Publications	1,700	150	79	0	35	126	4	122	520	52	468
94000 - Memberships & Professional Dues	6,350	6,350	6,350	2,117	2,417	2,417	83	(83)	3,550	994	2,556
94101 - Professional Fees - Auditing	0	2,646	(3,368)	0	86	0	208	(208)	26,000	25,400	600
94102 - Professional Fees - Legal	0	200	0	0	0	0	0	0	2,500	2,500	(3,136)
94103 - Professional Fees - Other	3,240	1,730	3,590	167	167	270	1,003	(733)	8,997	12,042	(3,045)
95400 - Seminars & Workshops - Admin.	6,313	9,203	3,981	1,117	1,117	94	25	(25)	950	294	656
97200 - Meeting & Conference Expense	164	835	1,638	639	1,129	443	917	(843)	22,103	11,242	10,861
99100 - Bad Debt Expense	85,746	95,140	85,512	31,162	37,634	89,424	31,759	57,664	424,617	394,590	30,036
G&A BEFORE ALLOCATIONS	286,634	274,737	275,686	91,738	100,353	102,397	92,871	9,526	1,131,545	1,114,453	17,093

	@Quarter ACTUAL	@Quarter ACTUAL	@Quarter ACTUAL	April ACTUAL	May ACTUAL	June ACTUAL	June BUDGET	Monthly Variance	YTD ACTUAL	YTD BUDGET	YTD Variance
98201 - State Administrative Alloc.	0	0	0	0	0	0	0	0	0	0	(1)
98301 - Program Support Allocation	0	0	0	0	0	0	0	0	0	0	(1)
98400 - Local Administrative Allocation	0	0	0	0	0	0	0	0	0	0	0
TOTAL G&A ALLOCATIONS	286,634	274,737	275,686	91,738	100,353	102,397	92,871	9,526	1,131,545	1,114,454	17,092
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	372,380	369,877	381,198	122,889	137,987	191,820	124,630	67,190	1,556,162	1,509,034	47,128
TOTAL EXPENSES	4,629,042	4,506,408	4,162,459	1,420,813	1,433,153	1,536,477	1,438,592	97,786	17,688,353	18,052,864	(364,511)
EXCESS REVENUE OVER / <UNDER> EXPENSES	194,624	(39,247)	431,389	119,580	163,875	55,035	107,525	(52,490)	925,277	1,145,006	(219,729)



**MOORE STEPHENS  
LOVELACE, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS

February 12, 2015

Ms. Gloria Wetherington  
Sunrise Community Foundation, Inc.  
9040 Sunset Drive  
Miami, FL 33173

Dear Ms. Wetherington:

Enclosed is the organization's 2013 Exempt Organization return.

Specific filing instructions are as follows.

FORM 990 RETURN:

This return has qualified for electronic filing. The return has been transmitted electronically to the IRS and no further action is required.

A copy of the return is enclosed for your files. We suggest that you retain this copy indefinitely.

We sincerely appreciate this opportunity to serve you. If you have any questions regarding the return, please do not hesitate to call.

Very truly yours,

Lawrence Schiff, CPA

# TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING

June 30, 2014

Prepared for	Ms. Gloria Wetherington Sunrise Community Foundation, Inc. 9040 Sunset Drive Miami, FL 33173
Prepared by	Moore Stephens Lovelace, P.A. 701 Brickell Avenue, Suite 550 Miami, FL 33131
Amount due or refund	Not applicable
Make check payable to	Not applicable
Mail tax return and check (if applicable) to	Not applicable
Return must be mailed on or before	Not applicable
Special Instructions	This return has qualified for electronic filing. The return has been transmitted electronically to the IRS and no further action is required.

Form **8879-EO****IRS e-file Signature Authorization  
for an Exempt Organization**

OMB No. 1545-1878

For calendar year 2013, or fiscal year beginning JUL 1, 2013, and ending JUN 30, 2014**2013**Department of the Treasury  
Internal Revenue Service▶ **Do not send to the IRS. Keep for your records.**▶ **Information about Form 8879-EO and its instructions is at** [www.irs.gov/form8879eo](http://www.irs.gov/form8879eo)

Name of exempt organization

Employer identification number

**SUNRISE COMMUNITY FOUNDATION, INC.****65-0021846**

Name and title of officer

**GLORIA WETHERINGTON  
SECRETARY / TREASURER****Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

<b>1a</b> Form 990 check here ▶ <input checked="" type="checkbox"/>	<b>b Total revenue</b> , if any (Form 990, Part VIII, column (A), line 12) .....	<b>1b</b> <u>281,681.</u>
<b>2a</b> Form 990-EZ check here ▶ <input type="checkbox"/>	<b>b Total revenue</b> , if any (Form 990-EZ, line 9) .....	<b>2b</b> _____
<b>3a</b> Form 1120-POL check here ▶ <input type="checkbox"/>	<b>b Total tax</b> (Form 1120-POL, line 22) .....	<b>3b</b> _____
<b>4a</b> Form 990-PF check here ▶ <input type="checkbox"/>	<b>b Tax based on investment income</b> (Form 990-PF, Part VI, line 5) .....	<b>4b</b> _____
<b>5a</b> Form 8868 check here ▶ <input type="checkbox"/>	<b>b Balance Due</b> (Form 8868, Part I, line 3c or Part II, line 8c) .....	<b>5b</b> _____

**Part II Declaration and Signature Authorization of Officer**

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2013 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize **MOORE STEPHENS LOVELACE, P.A.**to enter my PIN **21846**

ERO firm name

Enter five numbers, but  
do not enter all zeros

as my signature on the organization's tax year 2013 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2013 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

**Part III Certification and Authentication**

**ERO's EFIN/PIN.** Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

**59949133759**

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2013 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

**ERO Must Retain This Form - See Instructions  
Do Not Submit This Form To the IRS Unless Requested To Do So**

LHA For Paperwork Reduction Act Notice, see instructions.  
323051  
10-01-13

Form **8879-EO** (2013)

14580212 793946 14301.94

2013.05060 SUNRISE COMMUNITY FOUNDATIO 14301\_C1

Form **8879-EO****IRS e-file Signature Authorization  
for an Exempt Organization**

OMB No. 1545-1878

For calendar year 2013, or fiscal year beginning JUL 1, 2013, and ending JUN 30, 2014**2013**Department of the Treasury  
Internal Revenue Service▶ **Do not send to the IRS. Keep for your records.**▶ **Information about Form 8879-EO and its instructions is at [www.irs.gov/form8879eo](http://www.irs.gov/form8879eo).**

Name of exempt organization

Employer identification number

**SUNRISE COMMUNITY FOUNDATION, INC.****65-0021846**

Name and title of officer

**GLORIA WETHERINGTON  
SECRETARY/TREASURER****Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a, 2a, 3a, 4a, or 5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b, or 5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

<b>1a</b> Form 990 check here ▶ <input type="checkbox"/>	<b>b</b> Total revenue, if any (Form 990, Part VIII, column (A), line 12) .....	<b>1b</b> .....
<b>2a</b> Form 990-EZ check here ▶ <input type="checkbox"/>	<b>b</b> Total revenue, if any (Form 990-EZ, line 9) .....	<b>2b</b> .....
<b>3a</b> Form 1120-POL check here ▶ <input type="checkbox"/>	<b>b</b> Total tax (Form 1120-POL, line 22) .....	<b>3b</b> .....
<b>4a</b> Form 990-PF check here ▶ <input type="checkbox"/>	<b>b</b> Tax based on investment income (Form 990-PF, Part VI, line 5) .....	<b>4b</b> .....
<b>5a</b> Form 8868 check here ▶ <input checked="" type="checkbox"/>	<b>b</b> Balance Due (Form 8868, Part I, line 3c or Part II, line 8c) .....	<b>5b</b> <u>0.</u>

**Part II Declaration and Signature Authorization of Officer**

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2013 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize **MOORE STEPHENS LOVELACE, P.A.**  
ERO firm name

to enter my PIN **21846**  
Enter five numbers, but  
do not enter all zeros

as my signature on the organization's tax year 2013 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2013 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

**Part III Certification and Authentication**

**ERO's EFIN/PIN.** Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

**59949133759**  
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2013 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

**ERO Must Retain This Form - See Instructions  
Do Not Submit This Form To the IRS Unless Requested To Do So**

LHA For Paperwork Reduction Act Notice, see instructions.  
323051  
10-01-13

Form **8879-EO** (2013)

**Product: Exempt**

**Name: Sunrise Community Foundation, Inc.**

**FEIN: \*\*\*\*\*1846**

**Fiscal Year**

**Begin Date: 7/1/2013**

**Category:**

**Fiscal Year**

**End Date: 6/30/2014**

**IRS Center: Ogden**

**e-Postmark: 02/13/2015 10:17:20 AM**

**Notification:**

Date	Type Of Activity	Submission ID	Refund/(Due)	Updated By
02/13/2015	Upload Started			
02/13/2015	Ready to Release by Customer			
02/13/2015	Released for Transmission - Validation in Progress			msltax2007
02/13/2015	Ready to transmit - Validation Complete			
02/13/2015	Transmitted to FD	59949120150440335e71		
02/13/2015	Accepted by FD on 2/13/2015			

Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

**2013**Open to Public  
Inspection

▶ Do not enter Social Security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)**A** For the 2013 calendar year, or tax year beginning **JUL 1, 2013** and ending **JUN 30, 2014****B** Check if applicable:

- ☐ Address change  
☐ Name change  
☐ Initial return  
☐ Terminated  
☐ Amended return  
☐ Application pending

**C** Name of organization**SUNRISE COMMUNITY FOUNDATION, INC.**

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address)

**9040 SUNSET DRIVE**

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

**MIAMI, FL 33173****F** Name and address of principal officer: **GLORIA WETHERINGTON**  
**SAME AS C ABOVE****D** Employer identification number**65-0021846****E** Telephone number**(305) 596-9040****G** Gross receipts \$**359,772.****H(a)** Is this a group returnfor subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

**H(c)** Group exemption number ▶**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c)( ) (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: ▶ **WWW.SUNRISEGROUP.ORG****K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L** Year of formation: **1986** **M** State of legal domicile: **FL****Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b>	Briefly describe the organization's mission or most significant activities: <b>TO CONDUCT FUNDRAISING AND OTHER SPECIAL EVENTS FOR THE BENEFIT OF ITS TAX-EXEMPT AFFILIATES.</b>		
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>7</b>
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>6</b>
	<b>5</b>	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	<b>5</b>	<b>0</b>
	<b>6</b>	Total number of volunteers (estimate if necessary)	<b>6</b>	<b>6</b>
	<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
<b>b</b>	Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	<b>0.</b>	
<b>Revenue</b>	<b>8</b>	Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b> 212,169.	<b>Current Year</b> 356,602.
	<b>9</b>	Program service revenue (Part VIII, line 2g)	0.	0.
	<b>10</b>	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,021.	3,170.
	<b>11</b>	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-74,770.	-78,091.
	<b>12</b>	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	139,420.	281,681.
	<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶	0.	
<b>Expenses</b>	<b>17</b>	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	14,310.	132,021.
	<b>18</b>	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	14,310.	132,021.
	<b>19</b>	Revenue less expenses. Subtract line 18 from line 12	125,110.	149,660.
	<b>20</b>	Total assets (Part X, line 16)	<b>Beginning of Current Year</b> 2,318,386.	<b>End of Year</b> 2,535,436.
<b>Net Assets or Fund Balances</b>	<b>21</b>	Total liabilities (Part X, line 26)	125.	0.
	<b>22</b>	Net assets or fund balances. Subtract line 21 from line 20	2,318,261.	2,535,436.

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of officer		Date
	GLORIA WETHERINGTON, SECRETARY/TREASURER		
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date
	LAWRENCE SCHIFF, CPA		
<b>Paid Preparer Use Only</b>	Firm's name ▶	Firm's EIN ▶	PTIN
	MOORE STEPHENS LOVELACE, P.A.	59-3070669	P00479457
<b>Paid Preparer Use Only</b>	Firm's address ▶	Phone no. (305) 819-9555	
	701 BRICKELL AVENUE, SUITE 550 MIAMI, FL 33131		

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

**THE ORGANIZATION'S MISSION IS TO CONDUCT FUNDRAISING AND OTHER SPECIAL EVENTS FOR THE BENEFIT OF ITS TAX-EXEMPT AFFILIATES.**

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses \$ ) Including grants of \$ ) (Revenue \$ )  
**THE ORGANIZATION CONDUCTS FUNDRAISING EFFORTS AND OTHER SPECIAL EVENTS. IN ADDITION, THEY MAKE ALL INVESTMENT DECISIONS REGARDING CONTRIBUTED FUNDS.**

**4b** (Code: ) (Expenses \$ ) Including grants of \$ ) (Revenue \$ )

**4c** (Code: ) (Expenses \$ ) Including grants of \$ ) (Revenue \$ )

**4d** Other program services (Describe in Schedule O.)

(Expenses \$ ) Including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses 

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	<b>1</b> X	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	<b>2</b> X	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	<b>3</b>	X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	<b>4</b>	X
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<b>5</b>	X
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	<b>6</b>	X
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<b>8</b>	X
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	<b>9</b>	X
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	<b>10</b>	X
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	<b>11a</b>	X
<b>b</b> Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	<b>11b</b>	X
<b>c</b> Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	<b>11c</b>	X
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	<b>11d</b> X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<b>11e</b>	X
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	<b>11f</b>	X
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	<b>12a</b>	X
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	<b>12b</b> X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<b>14a</b>	X
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	<b>14b</b>	X
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	<b>15</b>	X
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	<b>16</b>	X
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	<b>17</b>	X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<b>18</b> X	
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<b>19</b>	X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<b>20a</b>	X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<b>20b</b>	

Form 990 (2013)

**Part IV** Checklist of Required Schedules (continued)

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<b>21</b>	X
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and II</i>	<b>22</b>	X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	<b>23</b>	X
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	<b>24a</b>	X
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	<b>24b</b>	
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	<b>24c</b>	
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	<b>24d</b>	
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	<b>25a</b>	X
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	<b>25b</b>	X
<b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>	<b>26</b>	X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	<b>27</b>	X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	<b>28a</b>	X
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	<b>28b</b>	X
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	<b>28c</b>	X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	<b>29</b>	X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	<b>30</b>	X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	<b>31</b>	X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	<b>32</b>	X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	<b>33</b>	X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	<b>34</b>	X
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?	<b>35a</b>	X
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	<b>35b</b>	X
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	<b>36</b>	X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	<b>37</b>	X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	<b>38</b>	X

**Note.** All Form 990 filers are required to complete Schedule O

Form 990 (2013)

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	0	
<b>b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	0	
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O		
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
<b>b</b> If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
<b>c</b> If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8882?		X
<b>d</b> If "Yes," indicate the number of Forms 8882 filed during the year	7d	
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
<b>8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
<b>9 Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b> Did the organization make any taxable distributions under section 4966?		
<b>b</b> Did the organization make a distribution to a donor, donor advisor, or related person?		
<b>10 Section 501(c)(7) organizations.</b> Enter:		
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	10a	
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
<b>11 Section 501(c)(12) organizations.</b> Enter:		
<b>a</b> Gross income from members or shareholders	11a	
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
<b>c</b> Enter the amount of reserves on hand	13c	
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?		X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

Form 990 (2013)

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒**Section A. Governing Body and Management**

	1a	1b	7	6	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year						
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.						
b Enter the number of voting members included in line 1a, above, who are independent						
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?						X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?						X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?						X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?						X
6 Did the organization have members or stockholders?					X	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?					X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?					X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:						
a The governing body?					X	
b Each committee with authority to act on behalf of the governing body?					X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O						X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	10a	10b	11a	12a	12b	12c	13	14	15a	15b	16a	16b	Yes	No
10a Did the organization have local chapters, branches, or affiliates?														X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?														
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?			X											
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.														
12a Did the organization have a written conflict of interest policy? If "No," go to line 13				X										
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?				X										
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done						X								
13 Did the organization have a written whistleblower policy?						X								
14 Did the organization have a written document retention and destruction policy?						X								
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?														
a The organization's CEO, Executive Director, or top management official														X
b Other officers or key employees of the organization														X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).														
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?														X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?														

**Section C. Disclosure**

17 List the states with which a copy of this Form 990 is required to be filed **FL**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **JAMES G. WEEKS - 305-596-9040**  
**9040 SUNSET DRIVE, MIAMI, FL 33173**

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

## Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☒ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

[illegible]

Part VII	Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)
----------	--

[illegible]

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶

0

		Yes	No
3	Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	X
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	X

## Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ►	0	

**Part VIII Statement of Revenue**Check if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b> Federated campaigns	<b>1a</b>				
	<b>b</b> Membership dues	<b>1b</b>				
	<b>c</b> Fundraising events	<b>1c</b>	274,569.			
	<b>d</b> Related organizations	<b>1d</b>				
	<b>e</b> Government grants (contributions)	<b>1e</b>				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	82,033.			
	<b>g</b> Noncash contributions included in lines 1a-1f: \$					
	<b>h Total.</b> Add lines 1a-1f		356,602.			
<b>Program Service Revenue</b>	<b>2 a</b> _____		<b>Business Code</b>			
	<b>b</b> _____					
	<b>c</b> _____					
	<b>d</b> _____					
	<b>e</b> _____					
	<b>f</b> All other program service revenue					
	<b>g Total.</b> Add lines 2a-2f					
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts)					3,170.
	<b>4</b> Income from investment of tax-exempt bond proceeds					
	<b>5</b> Royalties					
			(i) Real	(ii) Personal		
	<b>6 a</b> Gross rents					
	<b>b</b> Less: rental expenses					
	<b>c</b> Rental income or (loss)					
	<b>d</b> Net rental income or (loss)					
			(i) Securities	(ii) Other		
	<b>7 a</b> Gross amount from sales of assets other than inventory					
	<b>b</b> Less: cost or other basis and sales expenses					
	<b>c</b> Gain or (loss)					
	<b>d</b> Net gain or (loss)					
	<b>8 a</b> Gross income from fundraising events (not including \$ 274,569. of contributions reported on line 1c). See Part IV, line 18		<b>a</b>	0.		
	<b>b</b> Less: direct expenses		<b>b</b>	78,091.		
	<b>c</b> Net income or (loss) from fundraising events			-78,091.		-78,091.
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19		<b>a</b>			
	<b>b</b> Less: direct expenses		<b>b</b>			
	<b>c</b> Net income or (loss) from gaming activities					
	<b>10 a</b> Gross sales of inventory, less returns and allowances		<b>a</b>			
<b>b</b> Less: cost of goods sold		<b>b</b>				
<b>c</b> Net income or (loss) from sales of inventory						
<b>Miscellaneous Revenue</b>		<b>Business Code</b>				
<b>11 a</b> _____						
<b>b</b> _____						
<b>c</b> _____						
<b>d</b> All other revenue						
<b>e Total.</b> Add lines 11a-11d						
<b>12 Total revenue.</b> See instructions.			281,681.	0.	0.	-74,921.

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management	12,170.		12,170.	
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)				
12 Advertising and promotion				
13 Office expenses	14.		14.	
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates	111,280.		111,280.	
22 Depreciation, depletion, and amortization				
23 Insurance	8,557.		8,557.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a				
b				
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	132,021.	0.	132,021.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>Assets</b>	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	995,256.	2	1,271,991.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	1,923.	9	9,029.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b	10c	
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	1,321,207.	15	1,254,416.
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	2,318,386.	16	2,535,436.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses	125.	17	0.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 <b>Total liabilities.</b> Add lines 17 through 25	125.	26	0.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	27 Unrestricted net assets	2,318,261.	27	2,535,436.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 <b>Total net assets or fund balances</b>	2,318,261.	33	2,535,436.
34 <b>Total liabilities and net assets/fund balances</b>	2,318,386.	34	2,535,436.	

Form 990 (2013)

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	281,681.
2	Total expenses (must equal Part IX, column (A), line 25)	2	132,021.
3	Revenue less expenses. Subtract line 2 from line 1	3	149,660.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	2,318,261.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	67,515.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	2,535,436.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

☒

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2a	X
b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	2b	X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	X
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____	3a	X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits _____	3b	

Form 990 (2013)

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.  
▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2013**

Open to Public  
Inspection

Name of the organization **SUNRISE COMMUNITY FOUNDATION, INC.** Employer identification number **65-0021846**

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I      b ☒ Type II      c ☐ Type III - Functionally integrated      d ☐ Type III - Non-functionally integrated
- e ☒ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).**
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 

	Yes	No
11g(i)		X
11g(ii)		X
11g(iii)		X
- (ii) A family member of a person described in (i) above? \_\_\_\_\_
- (iii) A 35% controlled entity of a person described in (i) or (ii) above? \_\_\_\_\_
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
CAPE CORAL HOME, INC.	65-0796731	9		X			X		0.
LOG CABIN ENTERPRISES,	59-2398577	9		X			X		0.
REGIONAL PROPERTIES,	59-1260233	509(A)(3)		X			X		0.
RESOURCES FOR INDEPEND	63-1113642	9		X			X		0.
RESOURCES FOR INDEPEND	52-1929588	9		X			X		0.
<b>Total</b>	<b>28</b>								<b>0.</b>

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2013

SEE PART IV FOR LINE 11 CONTINUATION

332021  
09-25-13

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge ...						
<b>4 Total.</b> Add lines 1 through 3 .....						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
<b>7</b> Amounts from line 4 .....						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ...						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on ...						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					<b>12</b>	
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) .....	<b>14</b>	%
<b>15</b> Public support percentage from 2012 Schedule A, Part II, line 14 .....	<b>15</b>	%
<b>16a 33 1/3% support test - 2013.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		
<b>b 33 1/3% support test - 2012.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		
<b>17a 10% -facts-and-circumstances test - 2013.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		
<b>b 10% -facts-and-circumstances test - 2012.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		

Schedule A (Form 990 or 990-EZ) 2013

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....						
3 Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
5 The value of services or facilities furnished by a governmental unit to the organization without charge .....						
6 <b>Total.</b> Add lines 1 through 5 .....						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
c Add lines 7a and 7b .....						
8 <b>Public support.</b> (Subtract line 7c from line 6.) .....						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6 .....						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
c Add lines 10a and 10b .....						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....						
13 <b>Total support.</b> (Add lines 9, 10c, 11, and 12.) .....						
14 <b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)) .....	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15 .....	16	%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) .....	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17 .....	18	%

19a **33 1/3% support tests - 2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization .....



b **33 1/3% support tests - 2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization .....



20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions .....



**Part IV** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12.  
Also complete this part for any additional information. (See instructions).

COPY

**Part IV Supplemental Information** (Schedule A, Part I, Line 11h - Information regarding supported organizations (continuation))

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
SUNRISE 2000, INC.	65-0610836	509(A)(3)		X			X		0.
SUNRISE COMMUNITY OF	65-0583790	9		X			X		0.
SUNRISE COMMUNITY OF	52-1929587	9		X			X		0.
SUNRISE COMMUNITY OF	74-2795030	9		X			X		0.
SUNRISE COMMUNITY OF	62-1604764	9		X			X		0.
SUNRISE COMMUNITY OF	65-0714062	9		X			X		0.
SUNRISE COMMUNITY OF	65-0583793	9		X			X		0.
SUNRISE COMMUNITY OF	62-1604765	9		X			X		0.
SUNRISE COMMUNITY PR	65-0662341	509(A)(3)		X			X		0.
SUNRISE COMMUNITY SE	65-0662366	509(A)(3)		X			X		0.
SUNRISE COMMUNITY, I	65-0118730	9		X			X		0.
SUNRISE OPPORTUNITIE	65-0118734	9		X			X		0.
SUNRISE UNITED CEREB	65-0794479	9		X			X		0.
TECH OF COLLIER COUN	59-1564538	9		X			X		0.
THE HAVEN CENTER, INC.	59-0668484	509(A)(3)		X			X		0.
THE PHINEAS CORPORATION	65-0118726	509(A)(3)		X			X		0.
UNITED CEREBRAL PAL	06-0737307	9		X			X		0.
UNITED CEREBRAL PAL	65-1066623	9		X			X		0.
UNITED CEREBRAL PAL	59-1796622	9		X			X		0.
UNITED CEREBRAL PAL	58-2355246	9		X			X		0.
UNITED CEREBRAL PAL	65-0493697	9		X			X		0.
SUNRISE NORTHEAST, I	06-1249974	9		X			X		0.
SUNRISE COMMUNITY OF	36-4674944	9		X			X		0.
<b>Continuation Total</b>									

**Schedule B**(Form 990, 990-EZ,  
or 990-PF)Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and  
its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2013**

Name of the organization

SUNRISE COMMUNITY FOUNDATION, INC.

Employer identification number

65-0021846

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)( 3 ) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2013)

Name of organization	Employer identification number
SUNRISE COMMUNITY FOUNDATION, INC.	65-0021846

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	SUNTRUST FOUNDATION 919 E. MAIN STREET RICHMOND, VA 23219	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	JOSE ENRIQUE SOUTO 23 TAHITI BEACH ISLAND ROAD CORAL GABLES, FL 33143	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	MOORE STEPHENS LOVELACE, P.A. 701 BRICKELL AVENUE, SUITE 550 MIAMI, FL 33131	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	BARBARA HOBBS 1601 RENAISSANCE WAY TAMPA, FL 33602	\$ 35,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	WILLIAM P. MUIR 15001 OCEAN BLVD. BOCA RATON, FL 33432	\$ 5,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	KURZBAN KURZBAN WEINGER 2650 SW 278TH AVE. MIAMI, FL 33133	\$ 5,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
SUNRISE COMMUNITY FOUNDATION, INC.	65-0021846

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	JOHN HOLCOMB 101 E KENNEDY BLVD STE 3700 TAMPA, FL 33602	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	VIRGINIA KAUL 825 SEDDON COVE WAY TAMPA, FL 33602	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9	THE BANK OF NY 3300 PGA BLVD, SUITE # 200 WEST PALM BEACH, FL 33410	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10	ESTATE OF ROGER B CURLIN 2555 PONCE DE LEON BOULEVARD CORAL GABLES, FL 33134	\$ 35,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11	BNY MELLON 3300 PGA BOULEVARD, SUITE 200 WEST PALM BEACH, FL 33410	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12	RUSSELL HOBBS III 300 BEACH DRIVE ST. PETERSBURG, FL 33701	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
SUNRISE COMMUNITY FOUNDATION, INC.	65-0021846

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
13	MOBILITY TRANSPORTATION SERVICES 42000 KOPPERNICK A3 CANTON, MI 48187	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14	TAILGATE CHARITY 3203 W CYPRESS STREET TAMPA, FL 33607	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

SUNRISE COMMUNITY FOUNDATION, INC.

65-0021846

**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization	Employer identification number
SUNRISE COMMUNITY FOUNDATION, INC.	65-0021846

**Part III** Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once.) ▶ \$ \_\_\_\_\_

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

**SCHEDULE D**  
(Form 990)Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
▶ Attach to Form 990.▶ Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No. 1545-0047

**2013**Open to Public  
Inspection

Name of the organization

SUNRISE COMMUNITY FOUNDATION, INC.

Employer identification number

65-0021846

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$
(ii) Assets included in Form 990, Part X	▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1	▶ \$
b Assets included in Form 990, Part X	▶ \$

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items

(check all that apply):

a ☐ Public exhibitiond ☐ Loan or exchange programsb ☐ Scholarly researche ☐ Other \_\_\_\_\_c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection? \_\_\_\_\_

☐ Yes☐ No**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? \_\_\_\_\_

☐ Yes☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? \_\_\_\_\_

☐ Yes☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII \_\_\_\_\_

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

1a Beginning of year balance

b Contributions

c Net investment earnings, gains, and losses

d Grants or scholarships

e Other expenditures for facilities and programs

f Administrative expenses

g End of year balance

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a					
1b					
1c					
1d					
1e					
1f					
1g					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ► \_\_\_\_\_ %

b Permanent endowment ► \_\_\_\_\_ %

c Temporarily restricted endowment ► \_\_\_\_\_ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? \_\_\_\_\_

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
1b Buildings				
1c Leasehold improvements				
1d Equipment				
1e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				0.

Schedule D (Form 990) 2013

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely-held equity interests .....		
(3) Other .....		
(A) .....		
(B) .....		
(C) .....		
(D) .....		
(E) .....		
(F) .....		
(G) .....		
(H) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) .....		
(2) .....		
(3) .....		
(4) .....		
(5) .....		
(6) .....		
(7) .....		
(8) .....		
(9) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) OTHER RECEIVABLES	1,004,416.
(2) RESERVE FOR DEBT REPAYMENT	250,000.
(3) .....	
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	1,254,416.

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) .....	
(3) .....	
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☐

Schedule D (Form 990) 2013

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements	<b>1</b>	359,772.
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains on investments	<b>2a</b>	
<b>b</b>	Donated services and use of facilities	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	0.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	359,772.
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	-78,091.
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	-78,091.
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.)	<b>5</b>	281,681.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements	<b>1</b>	210,112.
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
<b>a</b>	Donated services and use of facilities	<b>2a</b>	
<b>b</b>	Prior year adjustments	<b>2b</b>	
<b>c</b>	Other losses	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>	<b>2e</b>	0.
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>	<b>3</b>	210,112.
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	-78,091.
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>	<b>4c</b>	-78,091.
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.)	<b>5</b>	132,021.

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

FUNDRAISING EXPENSES -78,091.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

FUNDRAISING EXPENSES -78,091.



**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1 MAGNOLIA GALA	(b) Event #2 BARBARA HOBBS	(c) Other events 1	(d) Total events (add col. (a) through col. (c))
		(event type)	(event type)	(total number)	
Revenue	1 Gross receipts .....	135,944.	138,625.		274,569.
	2 Less: Contributions .....	135,944.	138,625.		274,569.
	3 Gross income (line 1 minus line 2) .....				
Direct Expenses	4 Cash prizes .....				
	5 Noncash prizes .....				
	6 Rent/facility costs .....	5,175.	6,150.		11,325.
	7 Food and beverages .....	23,812.	14,979.		38,791.
	8 Entertainment .....	5,149.	520.		5,669.
	9 Other direct expenses .....	16,392.	5,914.		22,306.
	10 Direct expense summary. Add lines 4 through 9 in column (d) .....				78,091.
	11 Net income summary. Subtract line 10 from line 3, column (d) .....				-78,091.

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue .....				
Direct Expenses	2 Cash prizes .....				
	3 Noncash prizes .....				
	4 Rent/facility costs .....				
	5 Other direct expenses .....				
	6 Volunteer labor .....	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d) .....				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d) .....				

9 Enter the state(s) in which the organization operates gaming activities: \_\_\_\_\_

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: \_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: \_\_\_\_\_

- 11** Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No
- 12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13** Indicate the percentage of gaming activity operated in:
- |                                      |            |   |
|--------------------------------------|------------|---|
| <b>a</b> The organization's facility | <b>13a</b> | % |
| <b>b</b> An outside facility         | <b>13b</b> | % |
- 14** Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

- 15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

**b** If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_.

**c** If "Yes," enter name and address of the third party:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

**16** Gaming manager information:

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

☐ Director/officer☐ Employee☐ Independent contractor**17** Mandatory distributions:

**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

**b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

**Part IV** **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No. 1545-0047

**2013**

Open to Public  
Inspection

Name of the organization

SUNRISE COMMUNITY FOUNDATION, INC.

Employer identification number  
65-0021846

FORM 990, PART VI, SECTION A, LINE 6:

THE SOLE MEMBER OF THE ORGANIZATION IS PHINEAS CORPORATION.

FORM 990, PART VI, SECTION A, LINE 7A:

THE ORGANIZATION'S SOLE MEMBER, PHINEAS CORPORATION, HAS THE  
AUTHORITY TO ELECT MEMBERS OF THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 7B:

AT A MEETING OF MEMBERS CALLED EXPRESSLY FOR THAT PURPOSE, ANY  
DIRECTOR OR THE ENTIRE BOARD OF DIRECTORS MAY BE REMOVED, WITH OR WITHOUT  
CAUSE, BY A VOTE OF A MAJORITY OF THE MEMBERS THEN ENTITLED TO VOTE AT AN  
ELECTION OF DIRECTORS.

FORM 990, PART VI, SECTION B, LINE 11:

THE FINANCE COMMITTEE CONDUCTS A COMPREHENSIVE REVIEW OF THE  
FORM 990 BEFORE IT IS FILED. A COPY OF THE RETURN, AS ULTIMATELY FILED, IS  
PROVIDED TO EACH VOTING MEMBER OF THE BOARD OF DIRECTORS BEFORE IT IS FILED  
WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C:

THE ORGANIZATION'S CONFLICT OF INTEREST POLICY COVERS ALL  
EMPLOYEES, EXECUTIVES, TRUSTEES AND BOARD MEMBERS. THE PRESIDENT & CEO  
MONITORS AND ENFORCES COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY.  
MEMBERS OF THE BOARD OF DIRECTORS MUST FULLY DISCLOSE TO THE BOARD CHAIR  
ANY CONTRACT, BUSINESS ARRANGEMENT, OR DIRECT FINANCIAL INTEREST IN A  
BUSINESS THAT CONTRACTS OR TRANSACTS BUSINESS WITH THE ORGANIZATION.

Name of the organization

SUNRISE COMMUNITY FOUNDATION, INC.

Employer identification number

65-0021846

MEMBERS OF THE BOARD OF TRUSTEES, EMPLOYEES AND COMMITTEE MEMBERS MUST MAKE SUCH DISCLOSURES TO THE PRESIDENT & CEO. THE BOARD CHAIR (IN MATTERS INVOLVING THE BOARD OF DIRECTORS), OR THE PRESIDENT & CEO (IN MATTERS INVOLVING MEMBERS OF THE BOARD OF TRUSTEES, EMPLOYEES, AND COMMITTEE MEMBERS), MAY DECIDE WHETHER TO ALLOW CONTINUING INVOLVEMENT IN THE DISCUSSION AND DECISION PROCESS, AND TO WHAT DEGREE (I.E. DISCUSSION ONLY AND THE MEMBER MUST ABSTAIN FROM VOTING), BEFORE PROCEEDING. THE POTENTIAL CONFLICT OF INTEREST IS RECORDED IN THE MINUTES OR NOTES OF THE MEETING.

FORM 990, PART VI, SECTION C, LINE 19:

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

NET ASSETS TRANSFERRED FROM RELATED PARTIES 67,515.

FORM 990, PART XII, LINE 2B

AUDIT OF FINANCIAL STATEMENTS:

THE ORGANIZATION IS A SUBSIDIARY OF THE PHINEAS CORPORATION. ITS FINANCIAL STATEMENTS WERE AUDITED ON A CONSOLIDATED BASIS.

FORM 990, PART XI, LINE 2C

OVERSIGHT OF AUDIT AND SELECTION OF INDEPENDENT ACCOUNTANT:

THE AUDIT COMMITTEE IS RESPONSIBLE FOR THE SELECTION, MONITORING AND EVALUATION OF AN INDEPENDENT AUDIT FIRM AND OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS. THERE WAS NO CHANGE IN THIS PROCESS FROM THE

Name of the organization

SUNRISE COMMUNITY FOUNDATION, INC.

Employer identification number

65-0021846

PRIOR YEAR.

FORM 990, PART XI, LINE 9

NET ASSET TRANSFERS FROM RELATED PARTIES:

THE SUNRISE GROUP'S CASH MANAGEMENT POLICIES REQUIRE ALL CASH RECEIPTS TO BE TRANSFERRED TO THE SUNRISE COMMUNITY, INC. GENERAL OPERATING ACCOUNT. CASH TRANSFERS BACK TO THE ORGANIZATION ARE ONLY MADE TO COVER ITS REQUIRED CASH FLOW NEEDS, CREATING A DUE TO/FROM SUNRISE COMMUNITY, INC. SINCE THERE IS NO INTENTION TO REPAY THESE RELATED PARTY BALANCES, ANY EXCESS CASH TRANSFERS ARE CONSIDERED A PERMANENT TRANSFER OF NET ASSETS AT YEAR END. FOR THE YEAR ENDED JUNE 30, 2014, NET ASSET TRANSFERS FROM RELATED PARTIES TOTALED \$67,515.

**SCHEDULE R**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

▶ **Complete** if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
▶ **Attach to Form 990.** ▶ **See separate instructions.**

▶ **Information about Schedule R (Form 990) and its instructions is at** [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No. 1545-0047

**2013**

**Open to Public Inspection**

Name of the organization

SUNRISE COMMUNITY FOUNDATION, INC.

Employer identification number  
65-0021846

**Part I Identification of Disregarded Entities** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

**Part II Identification of Related Tax-Exempt Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
CAPE CORAL HOME, INC. - 65-0796731 9040 SUNSET DRIVE MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	FLORIDA	501(C)(3)	LINE 9	THE PHINEAS CORPORATION		X
LOG CABIN ENTERPRISES, INC. - 59-2398577 9040 SUNSET DRIVE MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	FLORIDA	501(C)(3)	LINE 9	NONE		X
REGIONAL PROPERTIES, INC. - 59-1260233 9040 SUNSET DRIVE MIAMI, FL 33173	LEASES REAL PROPERTY TO TAX-EXEMPT AFFILIATES.	FLORIDA	501(C)(3)	LINE 11B, II	THE PHINEAS CORPORATION	X	
RESOURCES FOR INDEPENDENCE, INC. - 63-1113642, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	ALABAMA	501(C)(3)	LINE 9	THE PHINEAS CORPORATION		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2013

**Part II** Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
RESOURCES FOR INDEPENDENCE OF VIRGINIA, INC. - 52-1929588, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	VIRGINIA	501(C)(3)	LINE 9	SUNRISE 2000, INC.	X	
SUNRISE 2000, INC. - 65-0610836 9040 SUNSET DRIVE MIAMI, FL 33173	SUPPORTS ACTIVITIES OF TAX-EXEMPT AFFILIATES.	FLORIDA	501(C)(3)	LINE 11A, I	THE PHINEAS CORPORATION		X
SUNRISE COMMUNITY OF GEORGIA, INC. - 65-0583790, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	GEORGIA	501(C)(3)	LINE 9	SUNRISE 2000, INC.	X	
SUNRISE COMMUNITY OF MARYLAND, INC. - 52-1929587, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	MARYLAND	501(C)(3)	LINE 9	SUNRISE 2000, INC.	X	
SUNRISE COMMUNITY OF NEW MEXICO, INC. - 74-2795030, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	NEW MEXICO	501(C)(3)	LINE 9	SUNRISE 2000, INC.		X
SUNRISE COMMUNITY OF NORTH CAROLINA, INC. - 62-1604764, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	NORTH CAROLINA	501(C)(3)	LINE 9	SUNRISE 2000, INC.		X
SUNRISE COMMUNITY OF POLK COUNTY, INC. - 65-0714062, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	FLORIDA	501(C)(3)	LINE 9	SUNRISE 2000, INC.		X
SUNRISE COMMUNITY OF SOUTHWEST FLORIDA, INC. - 65-0583793, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	FLORIDA	501(C)(3)	LINE 9	THE PHINEAS CORPORATION		X
SUNRISE COMMUNITY OF TENNESSEE, INC. - 62-1604765, 9040 SUNSET DRIVE, MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	TENNESSEE	501(C)(3)	LINE 9	SUNRISE 2000, INC.		X
SUNRISE COMMUNITY PROMOTIONS, INC. - 65-0662341, 9040 SUNSET DRIVE, MIAMI, FL 33173	SPONSORS FUNDRAISING EVENTS FOR THE BENEFIT AND SUPPORT OF AFFILIATES.	FLORIDA	501(C)(3)	LINE 11B, II	THE PHINEAS CORPORATION		X
SUNRISE COMMUNITY SERVICES, INC. - 65-0662366, 9040 SUNSET DRIVE, MIAMI, FL 33173	SUPPORTS ACTIVITIES OF TAX-EXEMPT AFFILIATES.	FLORIDA	501(C)(3)	LINE 11A, I	SUNRISE 2000, INC.	X	
SUNRISE COMMUNITY, INC. - 65-0118730 9040 SUNSET DRIVE MIAMI, FL 33173	ASSITANCE AND SUPPORT TO PERSONS WITH DISABILITIES.	FLORIDA	501(C)(3)	LINE 9	THE PHINEAS CORPORATION		X

**Part II** Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
SUNRISE NORTHEAST, INC. - 06-1249974							
9040 SUNSET DRIVE	ASSITANCE AND SUPPORT TO				THE PHINEAS		
MIAMI, FL 33173	PERSONS WITH DISABILITIES,	CONNECTICUT	501(C)(3)	LINE 9	CORPORATION		X
SUNRISE OPPORTUNITIES, INC. - 65-0118734							
9040 SUNSET DRIVE	ASSITANCE AND SUPPORT TO				THE PHINEAS		
MIAMI, FL 33173	PERSONS WITH DISABILITIES,	FLORIDA	501(C)(3)	LINE 9	CORPORATION		X
SUNRISE UNITED CEREBRAL PALSY OF EAST							
TENNESSE, INC. - 65-0794479, 9040 SUNSET	ASSITANCE AND SUPPORT TO				SUNRISE 2000,		
DRIVE, MIAMI, FL 33173	PERSONS WITH DISABILITIES,	TENNESSEE	501(C)(3)	LINE 9	INC.		X
TECH OF COLLIER COUNTY, INC. - 59-1564538							
9040 SUNSET DRIVE	ASSITANCE AND SUPPORT TO				SUNRISE COMMUNITY		
MIAMI, FL 33173	PERSONS WITH DISABILITIES,	FLORIDA	501(C)(3)	LINE 9	SERVICES, INC.	X	
THE HAVEN CENTER, INC. - 59-0668484							
9040 SUNSET DRIVE	HOLDS TITLE TO REAL				REGIONAL		
MIAMI, FL 33173	PROPERTY,	FLORIDA	501(C)(3)	LINE 11B, II	PROPERTIES	X	
THE PHINEAS CORPORATION - 65-0118726							
9040 SUNSET DRIVE							
MIAMI, FL 33173	HOLDING COMPANY,	FLORIDA	501(C)(3)	LINE 11A, I	NONE		X
UNITED CEREBRAL PALSY ASSOCIATION OF GREATER							
HARTFORD, INC. - 06-0737307, 9040 SUNSET	ASSITANCE AND SUPPORT TO				SUNRISE COMMUNITY		
DRIVE, MIAMI, FL 33173	PERSONS WITH DISABILITIES,	CONNECTICUT	501(C)(3)	LINE 9	SERVICES, INC.		X
UNITED CEREBRAL PALSY OF KENTUCKY, INC. -							
65-1066623, 9040 SUNSET DRIVE, MIAMI, FL	ASSITANCE AND SUPPORT TO				SUNRISE 2000,		
33173	PERSONS WITH DISABILITIES,	KENTUCKY	501(C)(3)	LINE 9	INC.		X
UNITED CEREBRAL PALSY OF SOUTHWEST FLORIDA,							
INC. - 59-1796622, 9040 SUNSET DRIVE, MIAMI,	ASSITANCE AND SUPPORT TO				THE PHINEAS		
FL 33173	PERSONS WITH DISABILITIES,	FLORIDA	501(C)(3)	LINE 9	CORPORATION	X	
UNITED CEREBRAL PALSY OF SAVANNAH & THE							
GOLDEN ISLE, INC. - 58-2355246, 9040 SUNSET	ASSITANCE AND SUPPORT TO				SUNRISE 2000,		
DRIVE, MIAMI, FL 33173	PERSONS WITH DISABILITIES,	GEORGIA	501(C)(3)	LINE 9	INC.	X	
UNITED CEREBRAL PALSY OF TALLAHASSEE, INC. -							
65-0493697, 9040 SUNSET DRIVE, MIAMI, FL	ASSITANCE AND SUPPORT TO				THE PHINEAS		
33173	PERSONS WITH DISABILITIES,	FLORIDA	501(C)(3)	LINE 9	CORPORATION	X	
SUNRISE COMMUNITY OF INDIANA, INC. -							
36-4674944, 9040 SUNSET DRIVE, MIAMI, FL	ASSITANCE AND SUPPORT TO				SUNRISE 2000,		
33173	PERSONS WITH DISABILITIES,	INDIANA	501(C)(3)	LINE 9	INC.	X	

**Part III** **Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

[illegible]

**Part IV** Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

[illegible]

**Part V Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
<b>a</b> Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
<b>b</b> Gift, grant, or capital contribution to related organization(s)		X
<b>c</b> Gift, grant, or capital contribution from related organization(s)		X
<b>d</b> Loans or loan guarantees to or for related organization(s)		X
<b>e</b> Loans or loan guarantees by related organization(s)		X
<b>f</b> Dividends from related organization(s)		X
<b>g</b> Sale of assets to related organization(s)		X
<b>h</b> Purchase of assets from related organization(s)		X
<b>i</b> Exchange of assets with related organization(s)		X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s)		X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s)		X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s)		X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s)		X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
<b>o</b> Sharing of paid employees with related organization(s)		X
<b>p</b> Reimbursement paid to related organization(s) for expenses	X	
<b>q</b> Reimbursement paid by related organization(s) for expenses		X
<b>r</b> Other transfer of cash or property to related organization(s)		X
<b>s</b> Other transfer of cash or property from related organization(s)	X	

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			



**Part VII** Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions).

COPY

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box ☒ **X**

**Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1).

**Part II Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Enter filer's identifying number, see instructions	
<b>Type or print</b>	Name of exempt organization or other filer, see instructions.
File by the due date for filing your return. See instructions.	<b>SUNRISE COMMUNITY FOUNDATION, INC.</b>
	Employer identification number (EIN) or
	<b>65-0021846</b>
Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
<b>9040 SUNSET DRIVE</b>	
City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
<b>MIAMI, FL 33173</b>	

Enter the Return code for the return that this application is for (file a separate application for each return) **0 1**

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

**JAMES G. WEEKS**

- The books are in the care of **9040 SUNSET DRIVE - MIAMI, FL 33173**

Telephone No. **305-596-9040**

Fax No.

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **MAY 15, 2015**.
- 5 For calendar year , or other tax year beginning **JUL 1, 2013**, and ending **JUN 30, 2014**.
- 6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- 7 State in detail why you need the extension **ADDITIONAL TIME IS NEEDED TO GATHER THE NECESSARY INFORMATION TO FILE A COMPLETE AND ACCURATE TAX RETURN.**

<b>8a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>8a</b>	\$	<b>0.</b>
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	<b>8b</b>	\$	<b>0.</b>
<b>c Balance due.</b> Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>8c</b>	\$	<b>0.</b>

**Signature and Verification must be completed for Part II only.**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature

Title **SECRETARY / TREASURER**

Date

Form 8868 (Rev. 1-2014)

## **C, Contribution to the Orderly Development of Health Care-1**

### **Health Care Provider List**

**List all existing health care providers with which the applicant currently has or plans to have contractual and/or working relationships.**

Takoma Regional Hospital  
401 Takoma Ave.  
Greeneville, TN 37743

Laughlin Memorial Hospital  
1410 Tusculum Blvd.  
Suite 2600  
Greeneville, TN 37745

Summit View (Nutrition)  
10805 Harding Drive  
Knoxville, TN 37932

Takoma Center Rehab (PT, OT, SLP)  
108 West Summer Street  
Greeneville, TN 37743

Amedysis (PT, OT, SLP)  
1350 Serral Drive  
Suite 1  
Greeneville, TN 37745

Baileyton Medical Center  
580 Van Hill Rd.  
Greeneville, TN 37745

Takoma Medical Associates  
438 East Vann Road  
Suite 200  
Greeneville, TN 37743

Laughlin Healthcare Center  
801 East McKee Street  
Greeneville, TN 37743

**C, Contribution to the Orderly Development of Health Care-7.(d)**

**Sunrise Community, Inc.'s most recent Florida ICF/DD Survey**



RICK SCOTT  
GOVERNOR

ELIZABETH DUDEK  
SECRETARY

September 21, 2015

Administrator  
Sunrise Community, Inc  
9790 SW 157th Terrace  
Miami, FL 33157

Dear Administrator:

On September 9, 2015 - September 10, 2015, Recertification Life Safety Code surveys were conducted in your facility by representatives of this office.

Attached is the provider's copy of the Statement of Deficiency and CMS Form 2567 and State (3020) Form, which indicates no deficiencies were identified on the day of the visit. **You will not receive a copy of this report in the mail, you will only receive this faxed report.**

The *Quality Assurance Questionnaire* has long been employed to obtain your feedback following survey activity. This form has been placed on the Agency's website at <http://ahca.myflorida.com/Publications/Forms.shtml> as a first step in providing a web-based interactive consumer satisfaction survey system. You may access the questionnaire through the link under **Health Facilities and Providers** on this page. Your feedback is encouraged and valued, as our goal is to ensure the professional and consistent application of the survey process.

Thank you for the assistance provided to the surveyors. If you have questions, please contact Diane Moore at (305) 593-3100.

Sincerely,

  
Arlene Mayo-Davis  
Field Office Manager, Area 11

AMD; DEM  
Enclosures: CMS-2567, State (3020) Form

Miami Field Office  
8333 N.W. 53rd Street, Suite 300  
Miami, FL 33166  
Phone: (305) 593-3100; Fax: (305) 593-3121  
[AHCA.MyFlorida.com](http://AHCA.MyFlorida.com)



[Facebook.com/ACHAFlorida](https://www.facebook.com/ACHAFlorida)  
[Youtube.com/AHCAFlorida](https://www.youtube.com/AHCAFlorida)  
[Twitter.com/AHCA\\_FL](https://twitter.com/AHCA_FL)  
[SlideShare.net/AHCAFlorida](https://www.slideshare.net/AHCAFlorida)

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 09/14/2015  
FORM APPROVED  
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  <b>10G126</b>	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____  B. WING _____		(X3) DATE SURVEY COMPLETED  <b>09/09/2015</b>
NAME OF PROVIDER OR SUPPLIER  <b>SUNRISE COMMUNITY, INC</b>			STREET ADDRESS, CITY, STATE, ZIP CODE <b>8780 SW 157TH TERRACE MIAMI, FL 33157</b>		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
W 000	<p><b>INITIAL COMMENTS</b></p> <p>An unannounced annual Fundamental Recertification survey was conducted on September 8, 2015 through September 9, 2015. The Sunrise Community Inc. facility is in compliance with 42 CFR Part 483, Subpart I- Requirements for the Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID).</p>	W 000			
LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE			TITLE		(X6) DATE

Any deficiency statement ending with an asterisk (\*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

PRINTED: 09/14/2015  
FORM APPROVED

## Agency for Health Care Administration

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  <b>IC25950151</b>	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____  B. WING: _____	(X3) DATE SURVEY COMPLETED  <b>09/09/2015</b>
NAME OF PROVIDER OR SUPPLIER  <b>SUNRISE COMMUNITY, INC</b>		STREET ADDRESS, CITY, STATE, ZIP CODE <b>9790 SW 167TH TERRACE MIAMI, FL 33157</b>		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
I 000	Initial Comments  An unannounced annual Re-licensure survey was conducted on September 8, 2015 through September 9, 2015. The Sunrise Community Inc facility was in substantial compliance with Chapter 400 Florida Statutes and 59A-35 Florida Administrative Code requirements for Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID).	I 000		

AHCA Form 3020-0001

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 09/14/2015  
FORM APPROVED  
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  10G126	(X2) MULTIPLE CONSTRUCTION A. BUILDING 02 - MAIN BUILDING  B. WING _____		(X3) DATE SURVEY COMPLETED  09/10/2015
NAME OF PROVIDER OR SUPPLIER  SUNRISE COMMUNITY, INC			STREET ADDRESS, CITY, STATE, ZIP CODE 9790 SW 157TH TERRACE MIAMI, FL 33157		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
K 000	<p><b>INITIAL COMMENTS</b></p> <p>A Fire Life Safety Federal Recertification Survey was conducted on September 10, 2015 at Sunrise Community Inc. (157th Terrace Group Home) under 42 CFR 483 Subpart I.</p> <p>Each Intermediate Care Facility for the Developmentally Disabled shall provide fire protection through the elimination of fire hazards. All portions of the existing facility shall comply with the requirements of Chapter 19 (Existing Health Care Occupancies) and all new portions shall comply with Chapter 18 (New Health Care Occupancies) as written in the Code for Safety to Life from Fire in Buildings and Structures, published by the National Fire Protection Association (NFPA), known as the Life Safety Code and its applicable referenced publications. The edition shall be described in 42 CFR, known as NFPA 101 (2000 Edition).</p> <p>K3 Building: 0101 K5 ICF K6 Plan Approval: 2002 K7 Survey Under: LSC 2000 Existing</p> <p>This facility was a one-story four-bedrooms single family home structure located at 9790 SW 157 Terr, Miami, Florida. The facility was licensed for 6 beds. Life Safety systems for the facility included a supervised fire alarm system and an automatic fire sprinkler system. The facility did not have a generator to provide emergency electric power in the event of a power outage.</p> <p>This survey was conducted to determine Sunrise Community Inc. (157th Terrace Group Home)'s compliance with the 2000 edition of NFPA 101,</p>	K 000			
LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE			TITLE		(X6) DATE

Any deficiency statement ending with an asterisk (\*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 09/14/2015  
FORM APPROVED  
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  <b>10G126</b>	(X2) MULTIPLE CONSTRUCTION A. BUILDING 02 - MAIN BUILDING  B. WING _____		(X3) DATE SURVEY COMPLETED  <b>09/10/2015</b>
NAME OF PROVIDER OR SUPPLIER  <b>SUNRISE COMMUNITY, INC</b>			STREET ADDRESS, CITY, STATE, ZIP CODE <b>9790 SW 157TH TERRACE MIAMI, FL 33157</b>		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	
K 000	Continued From page 1 the Life Safety Code and all of its referenced standards and publications.  Based on the findings of this survey, it was determined that Sunrise Community Inc. (157th Terrace Group Home) was in substantial compliance with the Requirements.	K 000			

ADV 12/15 P-2158

**AFFIDAVIT**

STATE OF FLORIDA

COUNTY OF MIAMI-DADE

James G. Weeks, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

  
Corporate Secretary/Treasurer

Sworn to and subscribed before me this 5<sup>th</sup> day of 11, 2015 a Notary  
(Month) (Year)

Public in and for the County/State of Miami-Dade



  
NOTARY PUBLIC

My commission expires \_\_\_\_\_  
(Month/Day) (Year)



**State of Tennessee**  
**Health Services and Development Agency**

Andrew Jackson, 9<sup>th</sup> Floor, 502 Deaderick Street, Nashville, TN 37243  
[www.tn.gov/hsda](http://www.tn.gov/hsda) Phone: 615-741-2364 Fax: 615-741-9884

---

December 1, 2015

Ann Williams  
Sunrise Community of Tennessee  
1705 West Main Street  
Greeneville, TN 37743

RE: Certificate of Need Application -- Sunrise Community of Tennessee - CN1511-055  
The establishment of a four (4) bed ICF/IID home for four (4) residents located at 680 Quaker Knob Road, Chuckey (Greene County), Tennessee 37641. The estimated project cost is \$965,868.

Dear Ms. Williams:

This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need. Please be advised that your application is now considered to be complete by this office.

Your application is being forwarded to Theresa C. Sloan at the Tennessee Department of Intellectual and Developmental Disabilities for Certificate of Need review by the Office of General Counsel. You may be contacted by someone from Ms. Sloan's office for additional clarification while the application is under review by the Department. Ms. Sloan's contact information is [Theresa.C.Sloan@tn.gov](mailto:Theresa.C.Sloan@tn.gov) or 615-253-8731.

In accordance with Tennessee Code Annotated, §68-11-1601, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project will begin on December 1, 2015. The first sixty (60) days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the sixty (60) day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review within the thirty (30)-day period immediately following. You will receive a copy of their findings. The Health Services and Development Agency will review your application on February 24, 2016.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,

A handwritten signature in black ink that reads "Melanie M. Hill" followed by a stylized flourish or initial.

Melanie M. Hill  
Executive Director

cc: Theresa Sloan, Assistant Commissioner and General Counsel  
Intellectual and Developmental Disabilities



**State of Tennessee**

**Health Services and Development Agency**

Andrew Jackson, 9<sup>th</sup> Floor, 502 Deaderick Street, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda)

Phone: 615-741-2364

Fax: 615-741-9884

---

MEMORANDUM

TO: Theresa Sloan, Assistant Commissioner and General Counsel  
Intellectual and Developmental Disabilities  
Citizens Plaza State Office Building 10<sup>th</sup> Floor  
400 Deaderick Street  
Nashville, TN 37243-1403

FROM: Melanie M. Hill *MMH/W*  
Executive Director

DATE: December 1, 2015

RE: Certificate of Need Application  
Sunrise Community of Tennessee - CN1511-055

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on December 1, 2015 and end on February 1, 2016.

Should there be any questions regarding this application or the review cycle, please contact this office.

Enclosure

cc: Ann Williams, Sunrise Community of Tennessee



**State of Tennessee**  
**Health Services and Development Agency**

Andrew Jackson Building, 9<sup>th</sup> Floor  
502 Deaderick Street  
Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda)

Phone: 615-741-2364

Fax: 615-741-9884

**LETTER OF INTENT**

The Publication of Intent is to be published in the Greeneville Sun, which is a newspaper of  
(Name of Newspaper)  
general circulation in Greene County, Tennessee, on or before November 9, 2015, for one day.  
(County) (Month / day) (Year)

=====

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that:

Sunrise Community of Tennessee, Inc.

N/A

(Name of Applicant)

(Facility Type-Existing)

owned by: Sunrise Community of Tennessee, Inc. with an ownership type of corporation and to be managed by: Sunrise Community of Tennessee, Inc. intends to file an application for a Certificate of Need for: the establishment of a 4-bed ICF/IID home at 680 Quaker Knob Road, Chuckey, Greene County, Tennessee 37641. The estimated project costs, calculated according to HSDA rules, for this project are approximately \$965,868. These beds, replacing four beds being closed at Greene Valley Developmental Center, will be licensed by the Tennessee Department of Intellectual and Developmental Disabilities as ICF/IID beds upon project completion. Services provided will include life care support for individuals with intellectual and/or developmental disabilities, appropriate therapies, community integration, and life skills development.

The anticipated date of filing the application is: November 13, 2015.

The contact person for this project is Ann Williams Executive Director  
(Contact Name) (Title)

who may be reached at: Sunrise Community of Tennessee, Inc. 1705 West Main Street  
(Company Name) (Address)  
Greeneville Tennessee 37743 423 / 636-1333 ext 115  
(City) (State) (Zip Code) (Area Code / Phone Number)

  
(Signature)

11/9/15  
(Date)

AWilliams@sunrisegroup.org  
(E-mail Address)

=====

The Letter of Intent must be **filed in triplicate** and **received between the first and the tenth day of the month**. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address:

Health Services and Development Agency  
Andrew Jackson Building, 9th Floor  
502 Deaderick Street  
Nashville, Tennessee 37243

=====

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

# Supplemental #1 -Original -

Sunrise Community of  
Tennessee

CN1511-055



*Excellence in  
Serving Special Needs*

**SUPPLEMENTAL #1**

**November 24, 2015**

**8:27 am**

Sunrise Community, Inc.  
9040 Sunset Drive  
Miami, FL 33173  
T 305.596.9040  
F 305.598.8240  
[www.sunrisegroup.org](http://www.sunrisegroup.org)

November 20, 2015

Phillip M. Earhart  
Health Services Development Examiner  
Tennessee Health Services and Development Agency  
9<sup>th</sup> Floor  
Andrew Jackson Building  
502 Deaderick Street  
Nashville, TN 37243

Re: Certificate of Need Application CN1511-055  
Sunrise Community of Tennessee, Inc.  
680 Quaker Knob Road

Dear Mr. Earhart:

Attached, please find the original and two (2) copies of our responses to your request for supplemental information concerning our Application for a Certificate of Need CN1511-055, together with the affidavit requested. Please let me know if you need any additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "James G. Weeks", is written over the typed name and title.

James G. Weeks  
Secretary/Treasurer

**November 24, 2015****8:27 am**

RE: Certificate of Need Application CN1511-055  
Sunrise Community of Tennessee, Inc.

Dear Ms. Williams:

This will acknowledge our November 12, 2015 receipt of your application for a Certificate of Need for the establishment of a four (4) bed ICF/IID home for four (4) residents located at 680 Quaker Knob Road, Chuckey (Greene County), Tennessee 37641.

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

**Please submit responses in triplicate by 12:00 noon, Wednesday November 25, 2015.** If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

---

**1. Section A, Applicant Profile, Item 5**

It appears the applicant will have a management contract with Sunrise Community, Inc. Please clarify what type of services will be provided.

**Response:** Sunrise Community, Inc. will provide these management services under the contract provided in Applicant's application for a certificate of need (please see the attachment provided with the application itself: C, Economic Feasibility-4). Sunrise Community, Inc. has an administrative structure in place to maximize quality of care and financial efficiency for the delivery of services at the proposed Sunrise Community of Tennessee, and will provide the following services:

- Advice and consultation from the Sunrise Group's President and C.E.O., Chief Operating Officer, Chief Financial Officer and their respective offices.
- Staff support for administrative tasks needed by Sunrise Community of Tennessee, Inc.'s Board of Directors such as communication of meetings, transcribing meeting minutes, record keeping, preparing and filing required corporate documents, administrative functions for development and maintenance of policies and procedures, etc.
- Banking relationship management to include establishment and maintenance of all bank accounts, credit cards and loans.
- Management of Sunrise community of Tennessee, Inc.'s participation in the Sunrise Group's cash management program that ensures that Sunrise Community of Tennessee, Inc. is able to meet all its cash needs in a timely and cost efficient manner.
- Accounting services to include maintenance of general and all subsidiary ledgers (A/R, A/P, payroll, etc.), control and storage of accounting records, centralized account payable and receivable functions, coordination of external audit function, recording and depreciation of capital assets, etc.

**November 24, 2015****8:27 am**

- Payroll functions to include, but not limited to, collection, recording and maintenance of time and attendance records, issuing payroll checks/deposits, preparing and filing required payroll tax returns.
- Assistance with budget development and management.
- Human resource functions to include assistance with employee recruitment, hiring, discipline and separation activities, employee benefits management, etc.
- Oversight of client trust account record keeping, representative payee functions, etc.
- Coordination of legal services as needed.
- Assistance with purchasing of insurance policies.
- Risk management services to include reporting and management of insurance claims, assistance with OSHA and HIPAA compliance, coordination of safety and risk reduction activities, maintenance of reported incident database, etc.
- Centralized purchasing for vehicles, major appliances, office and medical supplies, communication devices, etc.
- Fleet management services to include centralized fuel and maintenance purchasing, GPS monitoring of vehicle usage, coordination for vehicle repairs, registration and licensure, etc.
- Facilities management services to include selection and purchasing of facilities; coordination of repairs, maintenance and renovations; assistance with permitting, zoning issues and property tax filings; management of leasing arrangements; etc.
- Information services to include computer equipment, network and software analysis, purchase, installation and maintenance; database and website management; etc.
- Assistance with preparation and filing documentation to obtain and maintain required licenses, certifications and any other approves needed to conduct business.
- Maintenance of relationships with all funding sources and organizations.
- Assistance with local community and organizational relationships.
- Coordination and assistance with development activities such as fundraising, grant writing, donor solicitation and acknowledgement, volunteer management, etc.
- Assistance with staff orientation, training and development through Sunrise University.
- Corporate compliance and quality assurance assistance to help with identification and develop of systems and tools to review, audit and evaluate programs, services and operations to ensure compliance with government requirements, utilization of best practices, and identify under-performing units.

**November 24, 2015****8:27 am****2. Section A, Applicant Profile, Item 6**

Please provide documentation that Regional Properties Inc. has legal interest in the property to be leased to the applicant.

**Response:** Please see Attachment – Question 2 for a copy of Regional Properties, Inc.’s Warranty Deed to 680 Quaker Knob Road.

**3. Section B, Project Description, Item I.**

The executive summary is noted. However, please list each of the following topics and provide a brief description underneath each:

- Brief description of proposed services and equipment

**Response:** This project involves the construction of a new 4-bed ICF/IID facility in Chuckey, Tennessee. The home will be a one story, fully accessible family home of approximated 2,800 square feet, with four bedrooms, living room, dining room, kitchen, laundry, and associated storage areas. The home will have two large, fully accessible bathrooms and one half bath.

Services that will be provided to residents include meeting hygiene requirements, nursing care as required by individual needs, specialized dietary services, , and activities of daily living, including physical, occupational, and behavioral therapies. Services are based upon individual needs and individual activities are geared to assuring that persons have a meaningful, safe and healthy life in the community. The anticipated residents have significant medical needs, so the facility will have life support equipment in the form of oxygen and feeding pumps. An emergency generator is provided to ensure the operation of this equipment as well as for the heating and air conditioning systems essential to the health of these individuals.

- Ownership structure

**Response:** Regional Properties, Inc. is the owner of the lot at 680 Quaker Knob Road, Chuckey, Tennessee, where it will construct this new facility. Regional Properties, Inc. is a wholly owned subsidiary of The Phineas Corporation, which also is the sole owner of Applicant’s parent corporation Sunrise 2000, Inc. (see Organizational Chart included in Attachment A.4. to Applicant’s application for a certificate of need). All of the entities under the Phineas Corporation are 501(c)(3) corporations. Applicant has a renewable 5-year lease with Regional Properties, Inc., to this property (and the facility that will be constructed). Applicant will continually renew the five year lease with Regional Properties, Inc., upon the expiration of each term.

- Service area

**Response:** Under the terms of this court-ordered Exit Plan for the closure of the Greene Valley Development Center (GVDC, located in Greene County, Tennessee), the Tennessee Department of Intellectual and Developmental Disabilities (DIDD) is required to offer the residents of GVDC a choice between ICF/IID services and Medicaid Waiver services. According to Terry Jordan-Henley of the DIDD (in his

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email of 9/8/15, copy attached to the application), 75 of the 85 individuals remaining at GVDC chose ICF/IID services; and 36 of them have, via their legal representatives, expressed a desire to remain in the Greene County area. Also, of the 4 individuals who are expected to come to this new facility, 2 have family living in Greeneville, Tennessee, and one more has family living in nearby Elizabethton, Tennessee. For this reason, Applicant's proposed service area is Greene County, Tennessee.

- Need

**Response:** The GVDC is scheduled to close pursuant to an Exit Plan provided for in an order of the United States District Court for the Middle District of Tennessee for the settlement of current litigation pending in *People First of Tennessee, et al. v. Clover Bottom Developmental Center, et al.* As state, above, the DIDD is required to offer the remaining residents of GVDC a choice between ICF/IID services and Medicaid Waiver services, and 75 of the 85 individuals remaining at GVDC chose ICF/IID services, with 36 of them desiring to live in the Greene County area. This new facility, located in Greene County, is being developed to serve 4 of these individuals, all of whom will need new residences when GVDC closes.

- Existing Resources

**Response:** Each person who resides in the home will be funded through the ICF/IDD program and each currently is residing in GVDC which is also an ICF/IDD facility. Thus, each individual is currently receiving funding through the ICF/IDD program and will continue to receive this funding. The exact amount of the funding is dependent on cost as the ICF/IDD is a cost reimbursement program, assuring adequate funding for Sunrise Community of Tennessee, Inc.

- Project Cost

**Response:** Its estimated construction cost is \$490,000 and the total project cost is estimated at \$962,868. These funds will be expended by Regional Properties, Inc., which will lease the property back to Applicant at 5-year, renewable terms.

- Funding Financial Feasibility, and

**Response:** Regional Properties, Inc., is in the process of obtaining a Farmer's Home Administration Rural Development loan to build the home. If unanticipated problems arise with the loan, there is sufficient funding available from the Sunrise Community Foundation (see Attachment C, Economic Feasibility-2, to the application) to build the home. The ICF/IDD rate is sufficient to operate the home since it is a cost reimbursement program.

- Staffing

**Response:** Applicant employs 160-170 staff in the Greeneville area for its current programs. From this group of qualified individuals and from DIDD job fairs for GVDC staff, Applicant will be able to fill its 15.2 FTE staffing complement:

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Type of Position	Proposed (FTE)
Resident Manager	1.0
Qualified MR Professional	0.5
RN	0.5
LPN	5.6
Direct Support Workers	6.6
Director of Operation	0.5
Maintenance Director	0.5
Total	15.2

Please provide an overview of ICF/IID services.

**Response:** The ICF/IDD will provide specialized services for residents with intellectual disabilities and other physical challenges/related conditions. Residents will receive treatments in health and rehabilitative services consistent with their individual needs and in compliance with licensure requirements. Examples of services that will be provided include meeting hygiene requirements, specialized dietary services, and activities of daily living, including physical, occupational, and behavioral therapies. The overall goal is to provide these individuals with an environment and services that will let them live valued lives in a community setting. Services will provide residents with a full and productive life, which includes a home, family, and participation in community activities. A multi-disciplinary approach, with person-centered planning and program development, will be utilized to insure enhancement of personal development.

Please briefly discuss the previous application (CN1510-043) submitted by the applicant for an ICF/IID facility.

**Response:** Applicant has filed application CN1510-043 for a certificate of need for another 4-bed ICF/IID at 640 Old Shiloh Road, Greeneville, Greene County, Tennessee. It has the same floor plan as the facility in this present application, and will be outfitted and staffed in the same way. This facility also will serve four persons who currently reside at GVDC and have chosen Sunrise Community of Tennessee, Inc., as their provider.

On page 5 of the application the applicant notes a Project Cost of \$949,840, but assigns \$962,868 in the Project Costs Chart. Please clarify and submit a replacement page if necessary.

**Response:** The number on page 5 was a misprint. The correct figure is the one from the Project Costs Chart (\$962,868). This has been corrected in the discussion of Project Cost on the previous page.

What State of Tennessee agency is responsible for the Home and Community-Based Services (HCBS) Waiver programs?

**Response:** TennCare is the administrative agency while the DIDD is responsible for operating the program.

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What State agency is contracted to operate the HCBS waiver programs?

**Response:** The DIDD is contracted to operate the program. This means that it is responsible for the determining the eligibility of the consumers, managing services rendered by providers, and ensuring that the federal requirements are met throughout all aspects of the program.

Please provide an overview of the role of the Bureau of TennCare, TennCare Contracted Managed Care Companies (MCOs), and the Department of Intellectual and Developmental Disabilities in the administration of HCBS waiver programs and Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IIDs).

**Response:** As stated above TennCare is responsible for the overall administration of the HCBS waiver program while the DIDD is responsible for the operation. TennCare (Medicaid) is the funding source for the HCBS waiver. Consumers receive HCBS waiver covered services from providers who participate through DIDD's operation of the waiver. Persons receiving HCBS also receive State Plan Medicaid services through TennCare. These State Plan services are provided through MCOs contracted with TennCare.

For the ICF/IID program, TennCare, as the Medicaid agency, provides the per diem rate which covers all the services directly provided by the ICF/IID home. Persons living in ICF/IID receive acute care Medicaid State Plan services such as hospitalization or outpatient medical care through TennCare Medicaid paid directly by TennCare. Persons living in the ICF/IID are not enrolled in the MCOs.

What is the difference between long-term care services provide through an intermediate care facility for individuals with intellectual disabilities (ICF/IID) and services provided through a home and community-based settings?

**Response:** As described on the DIDD website, an ICF/IID provides specialized services for individuals with an intellectual disability or related conditions. ICF/IIDs were created as part of the Social Security Act and are an optional Medicaid benefit. These facilities are required to provide active treatment. The primary purpose of an ICF/IID is to provide health and rehabilitative services. The ICF/IID services are paid for as "bundled" services and managed by the ICF/IID provider. In ICF/IID programs the individual lives in an ICF/IID home and receives that majority of the supports, active treatment and care directly from the operator and the home and their staff.

All persons receiving ICF/IID services must meet the level of care criteria as defined in TennCare Rules. Many of the individuals who receive care have other disabilities, as well as intellectual challenges. Usually individuals who reside at the facilities are "medically fragile," meaning they have physical challenges, seizure disorders, behavior problems, mental illness, are visually or hearing impaired, have eating or feeding disorders, or have a combination of these conditions. ICF/IIDs are well positioned to provide and coordinate the array of services needed by this population.

Home and Community-Based Services (HCBS) are alternatives to institutional care, which include care in ICF/IIDs. HCBS are provided through three 1915(c) waiver programs approved by the federal government. . The DIDD is the state agency contracted

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by TennCare to operate the waiver programs. Persons enrolled in the waiver may receive services from multiple providers that operate in the community and live in a variety of settings including their own or family home. Individuals are given choice regarding the specific services that they receive and the providers that they wish to receive services from.

Please discuss in detail the activities of a typical day for a resident of an ICF/IID home, including all clinical, personal care, day center and other tailored program activities that may apply.

**Response:** Residents routines vary according to their needs. However, a typical schedule would include the following activities:

- Wake up
- Bathes immediately if needed, or after breakfast
- Receives medication as needed
- Eats breakfast or receives enteral feeding
- Dresses for the day activities
- Receives training on self-care skills during medication administration, breakfast, dressing and throughout the day as identified in Individualized Program Plan
- Attends community activities in accordance with the Individualized Program Plan
- Receives therapies as needed throughout the day
- Receives positioning according to schedule
- Eats lunch or receives enteral feeding
- Receives medication as needed throughout the day
- Participates in leisure time activities
- Eats dinner or receives enteral feeding
- Bathes and puts on night clothes
- Participates in evening leisure time activities
- Receives medication if needed
- Retires to bed

The applicant has stated that the GVDC is scheduled to close on June 30, 2016. In the Project Completion Forecast Chart the applicant has indicated that the home will be ready to initiate services in March 2017. If GVDC closes on June 30, 2016, where will the four individuals expected to transfer to this home reside in the interim? Additionally, will the interim arrangements cover any unforeseen delays in permitting and opening of the facility or are the arrangements for interim care of the individuals time sensitive? Please clarify.

**Response:** Applicant has received an email from Theresa C. Sloan, Assistant Commissioner and General Counsel of DIDD (see Attachment – Question 3) stating, in part, as follows:

The June 30, 2016 date specified in the closure agreement has not changed. The State expects that providers selected by persons transitioning out of GVDC are working expeditiously to establish homes in order to accommodate a timely transition. However, recognizing the potential for weather or other delays beyond providers' control, the State's closure agreement includes two potential periods of extension that can be exercised as needed, each 6 months in duration. In the event that the construction of any of the selected ICF settings is not complete until after

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the announced date of closure for GVDC, persons would not be subject to multiple transitions, but would continue to reside at GVDC until such time as the homes are completed.

Applicant already has built room into its schedule to accommodate such delays as are mentioned in Assistant Commissioner Sloan's email, and will make all efforts towards an early completion of this project.

**4. Section C. (Need) Item 1 (Specific Criteria- ICF/IID Facilities)**

The Tennessee Code Annotated Title 33; Title 68, Chapter 11 and Section 71-5-105(b)(2) states "Only providers that have been providing services to persons with developmental disabilities under contract with the state for at least five (5) years shall be eligible to apply for these new beds." Please describe the services and the number of years which the applicant has provided each service through contract(s) with the state of Tennessee to persons with developmental disabilities.

**Response:** In this response, services will be addressed first, followed by a discussion that details the number of years the services have been provided.

Services provided are as follows:

- **Community-Based Day Services:** Community-Based Day Services enable the service recipient to participate in meaningful and productive activities in integrated settings with other community members who may or may not have disabilities. Community-Based Day Services may be provided in a service recipient's home if there is a health, behavioral or other medical reason or if the individual has chosen retirement as indicated in the service definition. Supports provided may facilitate job exploration activities, volunteer work, educational activities and other meaningful, measurable community activities that promote developing relationships and maintaining ongoing relationships with friends and family members.
- **Employment-Based Day Services:** Employment-Based Day Services facilitate access and support activities such as competitive employment, self-employment, enclaves and work crews for individuals wishing to work in their community.
- **Family Model Services:** Family Model Residential Support is a type of residential service having individualized services and supports that enable a service recipient to acquire, retain, or improve skills necessary to reside successfully in a family environment in the home of trained caregivers other than the family of origin. The service includes direct assistance as needed with activities of daily living such as bathing, dressing, personal hygiene, eating, meal preparation excluding the cost of food, household chores and other activities essential to the health and safety of the service recipient (budget management, interpersonal and social skills, etc). It may also include the medication administration as permitted under Tennessee's Nurse Practice Act.
- **Follow-Along Services:** Follow-Along Services provide ongoing support and continuous or periodic job skill training services throughout the term of employment to enable an individual to maintain employment. The term also includes, but is not limited to, other support services provided at or away from the work site such as transportation, personal care services and counseling to family members.

- **Hospital Attendant Services:** Hospital Attendant Services enable Organization staff to be present with the individual during periods of in-patient hospitalization in order to provide for the continuity of supports and services to the extent feasible.
- **Individual Transportation Services:** Individual Transportation Services provide for the non-emergency transport of an individual to and from approved activities specified in his/her Individual Support Plan (ISP).
- **In-Home Day Services:** In-Home Day Services are provided in the person's place of residence for a limited duration (up to a maximum of 90 days) when there are exceptional circumstances that require the provision of these services in order to meet the person's specifically identified medical or behavioral needs. This may include psychiatric and/or behavioral destabilization and medical concerns/necessity. In-Home Day Services may be provided on a long-term or ongoing basis (more than 90 days) when warranted and supported by documentation.
- **Medical Residential Services:** Medical Residential Services are provided when all service recipients in the home require direct skilled nursing services and habilitative services and supports to enable them to acquire, retain or improve skills necessary to reside in a community-based setting. Medical Residential Services are ordered by the service recipient's physician, physician assistant or nurse practitioner, who document the medical necessity of the service and specify the nature and frequency of the nursing services.
- **Nursing Services:** Nursing Services are skilled nursing services that fall within the scope of Tennessee's Nurse Practice Act and that are directly provided to the individual in accordance with his/her ISP. Nursing Services are ordered by the individual's physician, physician assistant or nurse practitioner, who shall document the medical necessity of the services and specify the nature and frequency of the nursing services. Nursing Services shall be provided face to face with the individual by a Licensed Practical Nurse (LPN) under the supervision of a Registered Nurse (RN). Therapeutic goals and objectives shall be required for individuals receiving Nursing Services.
- **Personal Assistance Services:** Personal Assistance Services involve provision of direct assistance with activities of daily living (e.g., bathing, dressing, personal hygiene, eating, meal preparation excluding cost of food); household chores essential to the health and safety of the individual, budget management, attending appointments, and interpersonal and social skills building to enable the individual to live in a home in the community. Personal Assistance Services are provided in accordance with therapeutic goals and objectives as specified in the plan of care. These services may be provided in the home or community; however, they may not be provided in school settings and may not replace personal assistance services required to be covered by schools or services available through the Medicaid State Plan/TennCare program.
- **Residential Habilitation Services:** Residential Habilitation is a type of residential service providing services and supports that enable an individual to acquire, retain or improve skills necessary to reside in a community-based setting including direct assistance with activities of daily living (e.g., bathing, dressing, personal hygiene, eating, meal preparation, household chores) essential to the health and safety of the individual; budget management, attending appointments, and interpersonal and social skills building to enable the individual to live in a home in the community. It also

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may include medication administration as permitted under Tennessee's Nurse Practice Act. The provider of Residential Habilitation services provides personal funds management as specified in the Individual Support Plan (ISP). This service is currently provided in the Clarksville location only.

- **Respite Services:** Respite Services are those services provided to an individual when unpaid caregivers are absent or incapacitated due to death, hospitalization, illness or injury or when unpaid caregivers need relief from routine care giving responsibilities.
- **Semi-Independent Living:** Semi-Independent Living Services are offered to allow flexibility for the person to change to a residential, semi-independent living arrangement. This service is offered when individuals are independent with basic activities of daily living (fundamental self-care tasks such as bathing, dressing, chewing and swallowing food, and assistance with toileting) and yet still requires assistance with one or more of the following: Instrumental activities of daily living (training and assistance with managing money, preparing meals, shopping, health management, and maintenance), interpersonal and/or social skills building, and other activities that are needed to improve the person's capacity to live in the community. Individuals receiving this service have a level of independent and personal safety which requires only intermittent or limited support to live independently in their own home and do not require support staff to live in their home. They are also capable of self-administering their medication with minimal oversight and assistance. Access to emergency supports will be provided by the agency as needed by residential staff.
- **Supported Living Services:** Supported Living is a type of residential service providing individualized services and supports that enable an individual to acquire, retain, or improve skills necessary to reside in a home that is under the control and responsibility of the individual. Services include direct assistance as needed with activities of daily living (e.g., bathing, dressing, personal hygiene, eating, and meal preparation excluding the cost of food); household chores essential to the health and safety of the individual; budget management; attending appointments and interpersonal and social skills building to enable the individual to live in a home in the community. It may also include medication administration as permitted under Tennessee's Nurse Practice Act.

All of the foregoing 14 services have been provided for 16 years, with the exception of these 7:

- Residential Habilitation began in Middle TN in 1999. East TN does not provide Residential Habilitation.
- Personal Assistance began April 4, 2004 in Middle TN.
- Respite began in April 1, 2005.
- In Home Services began in 2013.
- Family Model Services (while listed in Applicant's Provider Agreement, these services have not yet been provided).
- Follow-Along Services (while listed in Applicant's Provider Agreement, these services have not yet been provided).
- Semi-Independent Living (while listed in Applicant's Provider Agreement, these services have not yet been provided).

**November 24, 2015****8:27 am****5. Section C. (Need) Item 1 (Service Specific Criteria-ICF/IID Facilities)  
Need A.1 and A.2**

The applicant responded to the need formula using 2019 projected population. Please revise using 2015 population data.

**Response:** Revised subsections A.1 and A.2 to section C, Need-1:

**A. Need**

1. The population-based estimate of the total need for ICF/MR facilities is .032 percent of the general population. This estimate is based on the estimate for all mental retardation of 1 percent. Of the 1 percent estimate, 3.2 percent of those are estimated to meet level 1 criteria and be appropriate for ICF-MR services.

**RESPONSE:** The Greene Valley Developmental Center (GVDC) is scheduled to close, pursuant to an Exit Plan provided for in an order of the United States District Court for the Middle District of Tennessee for the settlement of current litigation pending in *People First of Tennessee, et al. v. Clover Bottom Developmental Center, et al.* Under the terms of this Exit Plan, the DIDD was required to offer the remaining residents of GVDC a choice between ICF/IID services and Medicaid Waiver services. This new facility, located in Greene County, is being developed to serve 4 of these individuals.

<i>Variable</i>	<i>Greene County</i>	<i>Tennessee</i>
<b><i>CY (2015), Total Population</i></b>	70,520	6,649,438
<b><i>PY (2019), Total Population</i></b>	71,989	6,894,997
<b><i>Total Pop. % Change</i></b>	2.1%	3.7%
<b><i>TennCare Enrollees (Sept. 2015)</i></b>	15,417	1,461,025
<b><i>TennCare Enrollees as a % of Total Population</i></b>	21.9%	22.0%
<b><i>Median Age</i></b>	44.2	38.6
<b><i>Median Household Income</i></b>	35,545	44,298
<b><i>Population % Below Poverty Level</i></b>	22.0%	17.6

The above state computations indicate that, based on the population of Greene County, there only is a total need for 23 total beds ( $0.032\% \times 70,520$ ). This formula, however, was developed prior to the plan for closure of GVDC as described above and does not reflect the actual needs for ICF/IID beds in this county due to this court-ordered closure. Due to this planned closure, these additional beds are needed in this area.

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2. The estimate for total need should be adjusted by the existent ICF-MR beds operating in the area as counted by the Department of Health, the Department of Mental Health and Developmental Disabilities, and the Division of Mental Retardation Services in the Joint Annual Reports.

**RESPONSE:** As was the case with the criterion above, this criterion is not applicable. The other existing beds in this area predate the order of the court closing the GVDC and therefore should not be considered in calculating the need for additional beds to meet the requirements of the order of the court to close the GVDC.

Also, even if the 84 other ICF/IID beds in Greene County, listed below in section D, are counted, these additional beds can play no part in addressing the need for new ICF/IID beds brought about by the closure of GVDC, since these beds have operated at 99% occupancy for the past 3 years (see section C, Need-5, below).

The estimated total need should be adjusted by the existent ICF-IID beds operating in the proposed service area as counted by the Department of Health, Department of Mental health and Substance Abuse Services, and the Department of Intellectual and Developmental Disabilities. Please adjust the need by the current licensed ICF/IID facilities as listed in Section D on page 15-16.

**Response:** Under the formula shown above ( $\text{Need} = \text{Population} \times 0.032\%$ ) the need for beds in Greene county is 23 beds. Not counting the beds being closed at GVDC, there are 84 other ICF/IID beds in Greene County. Adjusting the estimated need for beds by subtracting the 84 existing beds from the calculated need of 23 beds does not support the need for additional beds in Greene County. Such an adjustment, however, does not take into account the following crucial facts:

- The need for additional beds in Greene County is being driven by the court-ordered closure of the final 85 beds at GVDC, not by the need for beds to serve the residents of Greene County as calculated by a formula developed prior to the court order.
- The legal representatives of 36 of these 85 GVDC residents have expressed a desire to have these residents remain in Greene County.
- For the past three years, the other 84 ICF/IID beds in Greene County have been operating at 99% occupancy and, thus, have no ability to serve any significant part of the need expressed by the above 36 GVDC residents.

Therefore, the court-ordered closure of GVDC has given rise to the need for 36 additional ICF/IID beds in Greene County, and the 4 beds in this application are intended to meet a part of that need.

**6. Section C. (Need) Item 4 (Population Demographics)**

Your response to this item is noted. Using population data from the Department of Health, enrollee data from the Bureau of TennCare, and demographic information from the US Census Bureau, please complete the following table and include data for each county in your proposed service area.

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<i>Variable</i>	<i>Greene County</i>	<i>Tennessee</i>
<b><i>CY (2015), Total Population</i></b>		
<b><i>PY (2019), Total Population</i></b>		
<b><i>Total Pop. % Change</i></b>		
<b><i>TennCare Enrollees</i></b>		
<b><i>TennCare Enrollees as a % of Total Population</i></b>		
<b><i>Median Age</i></b>		
<b><i>Median Household Income</i></b>		
<b><i>Population % Below Poverty Level</i></b>		

**Response:** Here is the completed table:

<i>Variable</i>	<i>Greene County</i>	<i>Tennessee</i>
<b><i>CY (2015), Total Population</i></b>	70,520	6,649,438
<b><i>PY (2019), Total Population</i></b>	71,989	6,894,997
<b><i>Total Pop. % Change</i></b>	2.1%	3.7%
<b><i>TennCare Enrollees (Sept. 2015)</i></b>	15,417	1,461,025
<b><i>TennCare Enrollees as a % of Total Population</i></b>	21.9%	22.0%
<b><i>Median Age</i></b>	44.2	38.6
<b><i>Median Household Income</i></b>	35,545	44,298
<b><i>Population % Below Poverty Level</i></b>	22.0%	17.6

#### 7. Section C. (Need) Item 5

The applicant included ICF/IID beds in nearby Washington and Unicoi Counties in describing the existing ICF/IID services in the proposed service area. However, using the chart below, please provide the occupancy and utilization for the past three years for the existing ICF/IIDs currently located in Greene County only.

<b>Greene County</b>	<b>Facility/Address</b>	<b>2012 Lic. Beds</b>	<b>2012 ADC</b>	<b>2012 % Occupancy</b>	<b>2013 Lic. Beds</b>	<b>2013 ADC</b>	<b>2013 % Occup.</b>	<b>2014 Lic. Beds</b>	<b>2014 ADC</b>	<b>2014 % Occup.</b>

**Response:** Here is the table with the Washington and Unicoi County Comcare ICF/IIDs removed. Applicant received a DIDD email (copy attached as Attachment – Question 7) telling it that Comcare facilities C, D, E, and F were not located in Greene County.

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Greene County	2012	2012	2012	2013	2013	2013	2014	2014	2014
Facility/Address	Lic. Beds	ADC	% Occup.	Lic. Beds	ADC	% Occup.	Lic. Beds	ADC	% Occup.
COMCARE A	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE B	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE G	4	4	100.0%	4	3.8	96.2%	4	3.6	91.3%
COMCARE H	4	4	100.0%	4	4	100.0%	4	3.9	98.4%
COMCARE I	4	3.9	98.4%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES A	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES B	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES C	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES D	4	3.8	94.0%	4	4	100.0%	4	3.7	91.8%
EAST TENNESSEE HOMES E	4	3.8	96.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES F	4	3.4	84.4%	4	4	100.0%	4	3.7	93.8%
EAST TENNESSEE HOMES G	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES H	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES I	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEEHOMES J	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES K	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES L	4	4	100.0%	4	3.8	95.8%	4	4	100.0%
EAST TENNESSEE HOMES M	4	4	100.0%	4	3.9	97.9%	4	4	100.0%
EAST TENNESSEE HOMES N	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES O	4	3.9	98.7%	4	3.8	96.0%	4	4	100.0%
EAST TENNESSEE HOMES P	4	4	99.6%	4	4	100.0%	4	4	100.0%

**8. Section B. (Plot Plan)**

How is the 2.0 acre parcel presently zoned? Is it located in a Flood Plain? If applicable, please describe the process to be followed that may apply to rezoning the site for its use as proposed in the application (residential home).

**Response:** The property at 680 Quaker Knob Road is in a residential zone where a 4-bed ICF/IID home is a permitted use. Therefore, there is no need to apply for rezoning. And this property is in the X flood zone on the FEMA flood map for this area (#47059C0255D), indicating that it is not located in a Flood Plain.

Please describe the site development of the property pertaining to the proposed residential homes access to gas, electric, water and sewage.

**Response:** The property at 680 Quaker Knob Road has both water and electrical service available from local utilities. Sewer service is not available, so Regional Properties, Inc. will be installing a septic tank system as part of its construction of the new facility. There is no gas service in the area, but this is not applicable to this project, since this new facility will not be using gas appliances.

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Tennessee Code Annotated 33-2-418 (a) indicates that “The department shall not license more than two (2) such residential facilities within five hundred yards (500 yds.) in any direction from other such facilities housing persons served. All set-back requirements applicable to lots where such facilities are located shall apply to such residential facilities.” In this project, it appears that the 2 facilities are across the driveway from one another and may not be in compliance with the setback requirements in state statute. Please explain how the proposed residential facility will comply with this requirement.

**Response:** Applicant is not aware of any other ICF/IID within 500 yards of 680 Quaker Knob Road, and is not sure about the second facility to which reference is made in this question. The site of Applicant’s other application for a certificate of need for a 4-bed ICF/IID facility at 640 Old Shiloh Road is more than ten miles away. And the only structure across the driveway from the main house is the facility’s 10’ x 20’ storage shed. Additionally, the new facility is set back more than 50’ from any street and therefore is in compliance with all setback requirements. This facility, then, in no way violates any provision of Tennessee Code Annotated 33-2-418 (a).

**9. Section B. (Floor Plan)**

If needed, where will a resident receive the physical, occupational, and behavioral therapy services?

**Response:** Therapeutic services are provided primarily in the home. However, at times, services may be provided in the therapists’ offices. The place in the home where the therapy is provided depends upon the goal that is being addressed and the need for privacy. In most cases, the therapy will be provided in the part of the home where the skill will normally occur. For example, if the occupational therapist is working on a mealtime related skill, the session will likely occur in the dining area. On the other hand, if the skill is intended to encourage communication, the speech and language therapist may provide the therapy in the living room. If privacy is required for the therapeutic activity, the session will take place in the bedroom.

**10. Section C. (Economic Feasibility) Item 1. (Project Cost Chart)**

Please identify the \$22,000 assigned to fixed equipment.

**Response:** This is the cost of purchasing and installing the facility’s emergency generator.

Please indicate how the applicant calculated the \$734,000 lease cost assigned to B.1.

**Response:** On October 30, 2015—during the process of providing supplemental information to the Health Services and Development Agency (HSDA) in support of Applicant’s application for a certificate of need for a new 4-bed ICF/IID at 640 Old Shiloh Road (CN1510-043)—Applicant received guidance from the HSDA on the correct way to calculate and report its lease costs on line B.1 of the Project Costs Chart. Applicant was advised that its lease cost was equal to the total amount it would cost Regional Properties, Inc. to construct the new facility (since Applicant’s actual lease payments were less than this total amount), and that Regional Properties, Inc.’s total cost consisted of the following elements:

**November 24, 2015****8:27 am**

- Acquisition of Site: \$ 25,000
- Preparation of Site: \$170,000
- Construction Costs: \$490,000
- Contingency Fund: \$ 33,000

Those costs totaled \$718,000.

In this new application (680 Quaker Knob Road, CN1511-055), the same building is being constructed, and Regional Properties total costs are similar:

- Acquisition of Site: \$ 21,000
- Preparation of Site: \$170,000
- Construction Costs: \$510,000
- Contingency Fund: \$ 33,000

These costs total \$734,000. The \$16,000 difference comes from an additional cost of \$20,000 in Construction Costs (for the sprinkler system and pump), and a smaller land acquisition cost.

Please provide a revised letter from the architect that addresses all the following:

- 1) a general description of the project, including size of facility
- 2) his/her estimate of the cost to construct the project to provide a physical environment, according to applicable federal, state and local construction codes, standards, specifications, and requirements and
- 3) attesting that the physical environment will conform to applicable federal standards, manufacturer's specifications, ADA, and licensing agencies' requirements including the newest AIA Guidelines for Design and Construction of Hospital and Health Care Facilities

**Response:** Please see letter for Applicant's architect (Attachment – Question 10), in which the architect addresses the above concerns and that the architect prepared the construction cost estimate for this project.

#### **11. Section C. (Economic Feasibility) Item 3**

Please compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.

**Response:** Applicant's Architect has built 11 4-bed ICF/IID homes over the past 5 years (see copy of architect's letter in Attachment – Question 11), all of which were preceded by the issuance of a certificate of need from the Health Services and Development Agency. The first of these homes had construction costs of \$173 per square foot, the costs per square foot increased with each passing year. Applicant's \$175 cost per square foot is very much in line with these rates.

#### **12. Section C (Contribution to Orderly Development) Item 7 (a.)**

What are the Medicare Requirements concerning ICF/IIDs?

**Response:** Applicant is not a Medicare provider. However, for persons living in the home who may be dually eligible, Medicare/Medicaid, Medicare will pay medical providers for services provided outside of the ICF/IID per diem.

### **13. Project Completion Forecast Chart**

The agency initial decision date of January 1, 2016 on the top of the Project Completion Forecast Chart is noted. However, the earliest the application can be reviewed is during the February 24, 2016 Agency meeting. Please revise and submit a replacement page.

**Response:** Revised chart appears as Attachment – Question 13.

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application, the sixtieth (60<sup>th</sup>) day after written Notification is January 15, 2016. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Resubmittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

If all supplemental information is not received and the application officially deemed complete prior to the beginning of the next review cycle, then consideration of the application could be delayed into a later review cycle. The review cycle for each application shall begin on the first day of the month after the application has been deemed complete by the staff of the Health Services and Development Agency.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported

**November 24, 2015**

**8:27 am**

to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.

- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have any questions or require additional information, please do not hesitate to contact this office.

**November 24, 2015**

**8:27 am**

**Attachment - Question 2**

**Regional Properties' Warranty Deed to**

**680 Quaker Knob Road**

**November 24, 2015****8:27 AM 562A/1934-1935****15008566**

Prepared by &amp; Return to:

**Reliable Title & Escrow, LLC**

1104 Tusculum Blvd., Suite 301

Greeneville, Tennessee 37745

2 PGS:AL-DEED
APRIL BATCH: 141227
11/03/2015 - 11:20:15 AM
VALUE 21000.00
MORTGAGE TAX 0.00
TRANSFER TAX 77.70
RECORDING FEE 10.00
DP FEE 2.00
REGISTER'S FEE 1.00
TOTAL AMOUNT 90.70

STATE OF TENNESSEE, GREENE COUNTY  
**JOY RADER NUNNALLY**  
REGISTER OF DEEDS**WARRANTY DEED**

THIS DEED, made and entered into this the 2nd day of November, 2015, by and between, **BRIAN KEITH BOWMAN AND WIFE, CHEYENNE BOWMAN**, hereinafter known as the Parties of the First Part, and **REGIONAL PROPERTIES, INC.**, hereinafter known as the Parties of the Second Part;

**WITNESSETH:**

That for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, receipt of which is hereby acknowledged, and other good and valuable consideration, the party of the first part has bargained and sold and does hereby grant and convey unto the party of the second part, his heirs and assigns, with covenants of general warranty of title, the following described property:

SITUATE in the 14th Civil District of Greene County, Tennessee and more particularly described, to-wit;

BEGINNING at an iron pin in the southeasterly side of Quaker Knob Road, corner to Bowman; thence with the side of said road the following calls: N. 42° 10' 41" E., 69.18 feet to an iron pin; N. 45° 47' 53" E., 48.63 feet to an iron pin; N. 48° 41' 24" E., 115.98 feet to an iron pin; thence by a curve to the right, radius of 150 feet, an arc distance of 137.45 feet to an iron pin; S. 78° 48' 32" E., 136.59 feet, and S. 71° 52' 35" E., 45.03 feet, corner to Bowman; thence leaving said road and with Bowman, S. 41° 42' 28" W., to an iron pin and N. 48° 17' 32" W., 249.87 feet to the BEGINNING, and containing 2 acres, more or less, as shown on plat of same record in Plat Cabinet H, Slide 873, in the Register's Office for Greene County, Tennessee.

**DESCRIPTION TAKEN FROM PREVIOUS DEED:**

BEING the same property conveyed to Brian Keith Bowman and wife, Cheyenne Bowman by Warranty Deed of Robert H. Bailey, Trustee of the Janis E. Bowman Living Trust, dated September 6, 2012, and of record and Deed Book 522A, page 2230, in the Register's Office of Greene County, Tennessee.

TAX ID: 066-006.03

TO HAVE AND TO HOLD unto the parties of the second part, their heirs and assigns, forever.

The parties of the first part, for themselves, their successors and assigns, covenants that they are lawfully seized and possessed of the property hereby conveyed; that they have a good and lawful right to convey the same; that said property is free and clear of any encumbrance, except as herein stated; that they will execute such further assurances of title as may be reasonably required, and that they will forever warrant and defend the title thereto against the lawful claims of all persons whomsoever.

Map 66 GP Parcel 6.03  
Will Self  
PROPERTY ASSESSOR GREENE COUNTY  
The 3 day of Nov 2015

**November 24, 2015**

**8:27 am**

WITNESS the following signature on this day and year first above written.

Grantor:

Brian Keith Bowman  
Brian Keith Bowman

STATE OF TENNESSEE:  
COUNTY OF GREENE:

Cheyenne Bowman  
Cheyenne Bowman

Personally appeared before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, the within named **Brian Keith Bowman and wife, Cheyenne Bowman**, with whom I am personally acquainted and who acknowledged that she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal, this the 2nd day of November, 2015.

Candida Spillman  
Notary Public



My commission expires: \_\_\_\_\_

**November 24, 2015**

**8:27 am**

**Attachment - Question 3**

**November 23, 2015 Email from Theresa C. Sloan**

**Assistant Commissioner and General Counsel**

**Department of Intellectual and Developmental Disabilities**

## Celeste Putnam

---

**From:** Michelle Pitts <MPitts@sunrisegroup.org>  
**Sent:** Monday, November 23, 2015 11:54 AM  
**To:** Celeste Putnam; Jameson Dormann; Michael Hart; Juan Ramos; Ann Williams  
**Subject:** Fwd: langugae for CON supplemental Request

Hi Celeste,

Theresa Sloan just sent me the answer to the last question!

Please read previous email & let me know if you need additional information.

Thank you,

Michelle Pitts  
Regional Administrator

Sent from my iPhone

Begin forwarded message:

From: "Theresa C. Sloan" <Theresa.C.Sloan@tn.gov<mailto:Theresa.C.Sloan@tn.gov>>  
Date: November 23, 2015 at 10:49:01 AM CST  
To: "mpitts@sunrisegroup.org<mailto:mpitts@sunrisegroup.org>" <mpitts@sunrisegroup.org<mailto:mpitts@sunrisegroup.org>>  
Cc: John Craven <John.Craven@tn.gov<mailto:John.Craven@tn.gov>>, Jordan Allen <Jordan.Allen@tn.gov<mailto:Jordan.Allen@tn.gov>>  
Subject: langugae for CON supplemental Request

Michelle

Per our discussion below is the language for your response to the supplemental CON request

The June 30, 2016 date specified in the closure agreement has not changed. The State expects that providers selected by persons transitioning out of GVDC are working expeditiously to establish homes in order to accommodate a timely transition. However, recognizing the potential for weather or other delays beyond the providers' control, the State's closure agreement includes two potential periods of extension that can be exercised as needed, each 6 months in duration. In the

**SUPPLEMENTAL #1**

**November 24, 2015  
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event that the construction of any of the selected ICF settings is not complete until after the announced date of closure for GVDC, persons would not be subject to multiple transitions, but would continue to reside at GVDC until such time as the homes are completed.

## **SUPPLEMENTAL #1**

**November 24, 2015**

**8:27 am**

**Attachment - Question 7**

**Communication from Terry Jordan-Henley**

**Department of Intellectual and Developmental Disabilities**

**On Updated Chart of Greene County 4-bed ICFIID Home**

## **Celeste Putnam**

**From:** Ann Williams <AWilliams@sunrisegroup.org>  
**Sent:** Friday, November 20, 2015 2:10 PM  
**To:** Celeste Putnam; Michelle Pitts; Michael Hart; Juan Ramos; Jameson Dormann  
**Subject:** FW: Updated Greene County ICFs  
**Attachments:** ICF-IID Utilization Only Greene County 2012-13-14 REDACTED.xlsx  
**Importance:** High

Celeste,

I spoke to Terry Jordan-Henley at Regional Office regarding question #7. He sent me the attached updated list. Please see his email below and let me know if you have any questions or need additional information.

Michelle will be sending you our beefed-up version for question #3.

Thanks!

Ann

**From:** Terry Jordan-Henley [<mailto:Terry.Jordan-Henley@tn.gov>]  
**Sent:** Friday, November 20, 2015 2:06 PM  
**To:** Ann Williams <AWilliams@sunrisegroup.org>  
**Cc:** Marla Stair-Wood <[Marla.Stair-Wood@tn.gov](mailto:Marla.Stair-Wood@tn.gov)>  
**Subject:** Updated Greene County ICFs

This list does not include C & D (they are in Washington County) or E & F (they are in Unicoi County). Use this as needed. Thanks, tjh



**Terry Jordan-Henley** | Deputy Regional Director  
East Tennessee Regional Office  
Department of Intellectual and Developmental Disabilities  
520 W. Summit Hill Dr, Suite 201  
Knoxville, TN 37902  
Ofc. 865-594-9302, Cell 865-313-1264  
[terry.jordan-henley@tn.gov](mailto:terry.jordan-henley@tn.gov)  
[tn.gov/didd](http://tn.gov/didd)

@didd tn

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**SUPPLEMENTAL #1**

**November 24, 2015**

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November 24, 2015

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Facility/Address	2012 Lic. Beds	2012 ADC	2012 % Occup.	2013 Lic. Beds	2013 ADC	2013 % Occup.	2014 Lic. Beds	2014 ADC	2014 % Occup.
COMCARE A	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE B	4	4	100.0%	4	4	100.0%	4	4	100.0%
COMCARE G	4	4	100.0%	4	3.8	96.2%	4	3.6	91.3%
COMCARE H	4	4	100.0%	4	4	100.0%	4	3.9	98.4%
COMCARE I	4	3.9	98.4%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES A	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES B	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES C	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES D	4	3.8	94.0%	4	4	100.0%	4	3.7	91.8%
EAST TENNESSEE HOMES E	4	3.8	96.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES F	4	3.4	84.4%	4	4	100.0%	4	3.7	93.8%
EAST TENNESSEE HOMES G	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES H	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES I	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES J	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES K	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES L	4	4	100.0%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES M	4	4	100.0%	4	3.8	95.8%	4	4	100.0%
EAST TENNESSEE HOMES N	4	4	100.0%	4	3.9	97.9%	4	4	100.0%
EAST TENNESSEE HOMES O	4	3.9	98.7%	4	4	100.0%	4	4	100.0%
EAST TENNESSEE HOMES P	4	4	99.6%	4	4	100.0%	4	4	100.0%

**Attachment - Question 10**

**Architect's Letter on Project Costs**

**November 24, 2015**

**8:27 am**



**CLARK/DIXON**  
**ARCHITECTS**

2035 MADISON AVENUE / MEMPHIS, TN 38104 / 901/272-9250 / clarkdixonarchitects.com

November 20, 2015

Mr. Michael Hart  
V.P. of Customer Service & Operations  
Sunrise Community, Inc.  
9040 Sunset Drive  
Miami, FL. 33173

Re: Construction Costs  
680 Quaker Knob Rd.  
ICF/IID Home

Dear. Michael,

Clark/Dixon Architects has prepared the design drawings and construction cost estimate for the ICF/IID Home that the Sunrise Community proposes to build on Quaker Knob Road in Chuckey, Tennessee. The home design consists of four (4) bedrooms, two (2) large baths for persons with varying degrees of disability including provision for a future hydrotherapy tub, a one-half bath for staff and visitors, a full kitchen, living room with dining area, a nurse's area, medical equipment storage, and mechanical/electrical rooms. The home is provided with an emergency generator and fire sprinkler system to insure the safety and comfort of the occupants. The home contains 2,721 square feet of heated floor space. The estimated construction cost provides for all costs to construct the home and to provide a physical environment according to applicable federal, state and local construction codes, standards, and specification requirements. The home's physical environment will conform to applicable federal standards, manufacturer specifications, ADA, and licensing agencies' requirements including the newest AIA Guidelines for Design and Construction of Hospital and Health Care Facilities.

Please notify me if you have any questions or require additional information.

Sincerely,

R. Larry Clark, RA, NCARB  
Partner

**November 24, 2015**

**8:27 am**

**Attachment - Question 11**

**Architect's Letter on Comparative Costs**

**November 24, 2015**

**8:27 am**



**CLARK/DIXON**  
**ARCHITECTS**

2035 MADISON AVENUE / MEMPHIS, TN 38104 / 901/272-9250 / [clarkdixonarchitects.com](http://clarkdixonarchitects.com)

November 09, 2015

Mr. Michael Hart  
V.P. of Customer Service & Operations  
Sunrise Community, Inc.  
9040 Sunset Drive  
Miami, FL. 33173

Re: Construction Costs  
680 Quaker Knob Rd.  
ICF/IID Home

Dear. Michael,

Clark/Dixon Architects has prepared the design drawings and construction cost estimate for the ICF/IID Home that the Sunrise Community proposes to build on Quaker Knob Road in Chuckey, Tennessee. The proposed construction costs for this home is based upon Clark/Dixon Architects 10 years of experience in designing and constructing over forty (40) four-bed ICF/MR Homes for the State of Tennessee, Department of Intellectual and Developmental Disabilities, across the State. Eleven (11) of these homes were built in the Greeneville, TN., area over the past five (5) years. The proposed construction costs for the Sunrise home is comparable to the construction costs encountered for similar ICF/MR Homes we designed and built in the Greeneville area.

Please notify me if you have any questions or require additional information.

Sincerely,

R. Larry Clark, RA, NCARB  
Partner

**Attachment - Question 13**

**Project Completion Forecast Chart**

**Replacement Page 37**

**November 24, 2015****8:27 am****PROJECT COMPLETION FORECAST CHART**

Enter the Agency projected Initial Decision date, as published in Rule 68-11-1609(c): 2/24/2016

Assuming CON approval becomes the final agency action on that date; indicate the number of days **from the above agency decision date** to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS REQUIRED</u>	<u>Anticipated Date (MONTH/YEAR)</u>
1. Architectural and engineering contract signed	<u>_Completed_</u>	<u>Completed</u>
2. Construction documents approved by the Tennessee Department of Health	<u>_60 days_</u>	<u>4/25/2016</u>
3. Construction contract signed	<u>_120 days_</u>	<u>6/23/2016</u>
4. Building permit secured	<u>_150 days_</u>	<u>7/25/2016</u>
5. Site preparation completed	<u>_180 days_</u>	<u>8/22/2016</u>
6. Building construction commenced	<u>_210 days_</u>	<u>9/21/2016</u>
7. Construction 40% complete	<u>_300 days_</u>	<u>12/20/2016</u>
8. Construction 80% complete	<u>_360 days_</u>	<u>2/20/2017</u>
9. Construction 100% complete (approved for occupancy)	<u>_390 days_</u>	<u>3/20/2017</u>
10. *Issuance of license	<u>_NA_</u>	<u>3/27/2017</u>
11. *Initiation of service	<u>_NA_</u>	<u>4/10/2017</u>
12. Final Architectural Certification of Payment	<u>_420 days_</u>	<u>4/19/2017</u>
13. Final Project Report Form (HF0055)	<u>_450 days_</u>	<u>5/19/2017</u>

**\* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.**

**Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.**

**November 24, 2015**

**8:27 am**

AFFIDAVIT

STATE OF FLORIDA

COUNTY OF Miami-Dade

NAME OF FACILITY: 680 Quaker Knob Road

I, JAMES G. WEEKS, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

[Signature] sec  
Signature/Title Tres

Sworn to and subscribed before me, a Notary Public, this the 20th day of November, 20 15 witness my hand at office in the County of Miami-Dade, State of Florida.

[Signature]  
NOTARY PUBLIC

My commission expires \_\_\_\_\_.

